

**San Francisco Lithographers  
Pension Trust**

**Application for  
Special Financial Assistance**

## Required Trustee Signature

Pursuant to Pension Benefit Guaranty Corporation's Interim Final Rule, 29 CFR Parts 4000 and 4262, issued under Section 4000 and 4262 of the Employee Retirement Income Security Act, as amended 1974 ("ERISA") and published in the Federal Register on July 12, 2021 (the "Regulations"), the Board of Trustees of the San Francisco Lithographers Pension Trust (the "Plan") submits this application, and the accompanying Exhibits, to the PBGC for approval of Special Financial Assistance.

Name: Monica L. Lucero

Name: : \_\_\_\_\_

Signature: Monica L. Lucero

Signature: \_\_\_\_\_

Date: 7-8-2021

Date: \_\_\_\_\_

Title: Union Trustee

Title: Employer Trustee

**Required Trustee Signature**

Pursuant to Pension Benefit Guaranty Corporation's Interim Final Rule, 29 CFR Parts 4000 and 4262, issued under Section 4000 and 4262 of the Employee Retirement Income Security Act, as amended 1974 ("ERISA") and published in the Federal Register on July 12, 2021 (the "Regulations"), the Board of Trustees of the San Francisco Lithographers Pension Trust (the "Plan") submits this application, and the accompanying Exhibits, to the PBGC for approval of Special Financial Assistance.

Name: \_\_\_\_\_

Name: Stephen Sprinkel

Signature: \_\_\_\_\_

Signature: Stephen Sprinkel

Date: \_\_\_\_\_

Date: 9-7-21

Title: Union Trustee

Title: Employer Trustee

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## A. Plan Identifying Information

Name of the Plan	San Francisco Lithographers Pension Trust
Employer Identification Number	94-6052228
Three-digit Plan Number	001
Notice filer name	Harold Cooper
Role of filer	Plan Consultant
Total Amount Requested	\$ 134,424,299

## B. Plan Documents

### (1) Plan documentation

- a. Plan document and amendments  
See attached documents labeled:
  - Most recent plan document, file labeled: *Plandoc Litho.pdf*
  - All amendments since last restatement, files labeled: *Amendcert Litho.PDF*
- b. Trust Agreement and amendments, file labeled *Trust Litho.PDF*
- c. Amendment required by 4262.6(e)(1) of PBGC's SFA Regulation  
See attached document labeled: *Amendcert Litho.PDF*
- d. Proposed plan amendment required by 4262.6(e)(2) of PBGC's SFA Regulation  
See attached document labeled: *Amendcert Litho.PDF*
- e. Statement Plan was Partitioned  
The Plan was not partitioned, therefore this is not required.
- f. Most recent IRS determination letter
- g. See attached document labeled: *Determination Litho.PDF*

## (2) Actuarial Valuation Reports

See attached documents labeled:

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

## (3) Rehabilitation Plan

The most recent Rehabilitation Plan is attached, document labeled: *Rehab Litho.PDF* There have been no updates.

2% of the contributions in the most recent plan year were made under the Alternative Schedule.

## (4) Form 5500

See attached document labeled: *2019Form5500 Litho.pdf*

## (5) Zone Certifications

See attached documents labeled:

- *2018Zone20180928 LITHO.pdf*
- *2019Zone20190927 LITHO.pdf*
- *2020Zone20200928 LITHO.pdf*

Documentation supporting a certification of critical and declining statement is not required, as the plan is insolvent.

## (6) Account Statements

The most recent statement for each of the plan's cash and investment accounts are attached as follows:

- *Checking Litho.pdf* This document includes a reconciliation between the checking account statements and the financial statements, showing outstanding checks
- *Investment Litho.pdf* This is for the plan's only investment in Vanguard Money Market fund.

**(7) Plan's Financial Statements**

See attached documents labeled: *Audit Litho.pdf and FinStmt Litho.PDF*

**(8) Withdrawal Liability Documentation**

See Amendments 1, 6 and 8 in Trust Litho.PDF.

In addition, the Trustees pursue collection of withdrawal liability diligently and when presented with settlement offers, the Trustees consult with the professionals, compare the offer to the present value of the remaining payments, and weigh the risks of accepting the settlement vs continuing to collect the remaining payments before accepting the settlement or making any counter offer.

**(9) Bank Information for Payment**

See attached document labeled *Fedwire Litho.PDF*

## **C. Plan Data**

### **(1) Form 5500 projection**

See attached file labeled: *Template 1 Litho.xlsx*

### **(2) Contributing Employers**

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

### **(3) Historical Plan Information**

See attached file labeled: *Template 3 Litho.xlsx*

### **(4) SFA Determination**

See attached file labeled: *Template 4 Litho.xlsx*

### **(5) Baseline Details**

See attached file labeled: *Template 5 Litho.xlsx*

### **(6) Reconciliation Details**

See attached file labeled: *Template 6 Litho.xlsx*

### **(7) Assumption Details**

#### **a. Assumptions for SFA Eligibility**

The Plans eligibility is based on Section 4262.3(a)(4) and therefore this is not required.

#### **b. Assumptions for SFA Amount**

See attached files labeled: *Template 7 Litho.xlsx and Assumptions Litho.PDF*

### **(8) Contribution and Withdrawal Liability Detail**

See attached file labeled: *Template 8 LITHO.xlsx*

### **(9) Participant Data**

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



## **D. Plan Statements**

### **(1) SFA request cover letter**

This is optional and therefore not attached.

### **(2) Plan Sponsor Information**

Name	Board of Trustees San Francisco Lithographers Pension Trust
Address	Zenith American Solutions 1600 Harbor Bay Parkway, Suite 200 Alameda, CA 94502
Email	<a href="mailto:kberry@zenith-american.com">kberry@zenith-american.com</a>
Phone Number	907.390.0235
Authorized Representative	Kate Berry (phone number above)
Additional Representative	Harold Cooper 847.708.0765 <a href="mailto:hcooper@segalco.com">hcooper@segalco.com</a>

### **(3) Eligibility**

The San Francisco Lithographers Pension Trust meets the eligibility requirements under ERISA §4262(b)(1)(A) as the Plan The plan became insolvent on June 1, 2021 and remained insolvent without terminating as of March 11, 2021.

### **(4) Priority Group Identification**

Under PBGC Regulation §4262.10(d)(2), the San Francisco Lithographers Pension Trust is in Priority Group 1 since the Plan is currently insolvent and has been receiving PBGC assistance.

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

Employers contribute 10% (default schedule) or 12% (preferred schedule) of eligible wages to the Fund. Based on the history of CBUs (wages) from the plan year beginning July 1, 2009 through the plan year beginning July 1, 2018, the Fund experienced an average annual CBU decline of 9.0%. We have assumed that wages per participant increase at a rate of 3% per year.

To the extent that the existing decrement assumptions, combined with the wage increase assumption, result in a decrease in aggregate CBUs of 3% or more for the years beginning July 1, 2019 through July 1, 2028 and 1% thereafter, we have applied this decrease to the contributions for the plan year beginning July 1, 2018. To the extent that the decrements result in a lesser decline, we have used this lesser amount. The effect of this is that the contributions decline by the 3%/1% amounts stated, except for the following plan years beginning July 1:

- 2023 2.0%
- 2024 1.4%
- 2026 2.0%

There is one employer making withdrawal liability payments of \$21,953 per quarter with the last payment due March 2033 We have assumed that these payments continue, but that any other employer that might withdraw would become insolvent as a result of the withdrawal.

**(6) Assumptions**

**a. Eligibility Assumptions**

Not applicable, as the Fund is insolvent.

**b. Assumptions**

The changes in assumptions and the rationale for such changes are detailed in the attached document labeled *Assumptions Litho.pdf*.

**(7) How Plan Will Reinstate Benefits**

The Plan will reinstate benefits in a lump sum with the first or second payment after benefits are restored. As of the SFA Measurement Date (June 30, 2021), the amount of benefits suspended were \$152,708 for the month of June 2021. The lump sum will include all benefits suspended from June 2021 through the date benefits are restored; however, benefits suspended commencing July 1, 2021 are included in the benefit projections.

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

The most recent audited financial statement is as of June 30, 2020. The unaudited financial statement is for the period from July 1, 2020 to June 30, 2021. Both of these documents have been included in the filing as *Audit Litho.PDF and FinStmt Litho.PDF*. Assets shown in the Statement as of June 30, 2021 were reduced by the contribution receivable of \$25,891.

**E. Checklist and Certifications**

**(1) Checklist**

See attached file labeled: *Checklist Litho.xlsx*

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

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

**(3) Certification of Priority Status**

The Plan is insolvent under Section 4245(a) of ERISA; therefore this is not required.

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

This is to certify that the requested amount of Special Financial Assistance (“SFA”) is the amount to which San Francisco Lithographers Pension Trust (“Plan”) is entitled under section 4262(j)(1) of ERISA and §4262.4 of PBGC’s SFA regulation. The amount of SFA for the Plan was calculated as of the SFA measurement date of June 30, 2021 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 Plan’s application for SFA. The calculation of the amount of SFA shown in the Plan’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 September 28, 2020, modified as described in Section D, Item 6b of the “Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance.” In addition, it is based on the participant data used for the 2020 actuarial valuation of the Plan, dated May 25, 2021, and the fair market value of assets as of the SFA measurement date certified by the plan sponsor and other relevant information provided by the Plan 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 accordance with applicable law and regulations. In my opinion, all other assumptions are reasonable taking into account the experience of the plan and reasonable expectations.



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Paul C. Poon, ASA, MAAA  
Vice President & Actuary  
Enrolled Actuary No. 20-06069

Phone Number: (415) 263-8277

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

This asset amount as of June 30, 2021 (the Special Financial Assistance (SFA) measurement date), was developed by Zenith-American Solutions, the Fund administrator

Therefore, I certify the accuracy of the fair market value of the assets as of June 30, 2021 (the Special Financial Assistance (SFA) measurement date), in the amount of \$705,424

Name: Monica L. Lucero

Name: : \_\_\_\_\_

Signature: Monica L. Lucero

Signature: \_\_\_\_\_

Date: 9-8-2021

Date: \_\_\_\_\_

Title: Union Trustee

Title: Employer Trustee

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

This asset amount as of June 30, 2021 (the Special Financial Assistance (SFA) measurement date), was developed by Zenith-American Solutions, the Fund administrator

Therefore, I certify the accuracy of the fair market value of the assets as of June 30, 2021 (the Special Financial Assistance (SFA) measurement date), in the amount of \$705,424

Name: \_\_\_\_\_

Name: Stephen Sprinkel

Signature: \_\_\_\_\_

Signature: Stephen Sprinkel

Date: \_\_\_\_\_

Date: 9-7-21

Title: Union Trustee

Title: Employer Trustee

(6) **Certification the proposed plan amendment provided under Section B, Item 1d will be timely adopted**

The certification is attached as *Litho Amendcert.pdf*

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

Under penalties of perjury under the laws of the United States of America, I declare that I have examined this application, including accompanying documents, and, to the best of my knowledge and belief, the application contains all the relevant facts relating to the application, and such facts are true, correct, and complete.

Name: Monica L. Lucero Name: \_\_\_\_\_

Signature: Monica L. Lucero Signature: \_\_\_\_\_

Date: 9-8-2021 Date: \_\_\_\_\_

Title: Union Trustee

Title: Employer Trustee

**(6) Certification the proposed plan amendment provided under Section B, Item 1d will be timely adopted**

The certification is attached as *Litho Amendcert.pdf*


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

Under penalties of perjury under the laws of the United States of America, I declare that I have examined this application, including accompanying documents, and, to the best of my knowledge and belief, the application contains all the relevant facts relating to the application, and such facts are true, correct, and complete.

Name: \_\_\_\_\_  
-

Name: Stephen Sprinkel

Signature: \_\_\_\_\_  
-

Signature: 

Date: \_\_\_\_\_  
-

Date: 9-7-21

Title: Union Trustee

Title: Employer Trustee

**Mortality Rates**

*Preretirement:* Pri-2012 Employee Blue Collar Amount-weighted Mortality Table with generational projection using Scale MP2019.

*Postretirement:* Pri-2012 Blue Collar Healthy Retiree Amount-weighted Mortality Table with generational projection using scale MP2019.

The underlying tables with generational projection to the ages of 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 future mortality improvement between the measurement date and those 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 assumption over the most recent 5 years.

**Annuitant Mortality Rates**

Age	Rate (%) <sup>1</sup>	
	Healthy	
	Male	Female
55	0.64	0.49
60	0.93	0.71
65	1.27	1.08
70	2.05	1.64
75	3.33	2.62
80	5.72	4.35
85	9.78	4.49
90	16.54	13.05

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



**Termination Rates**

Age	Rate (%)			
	Males		Females	
	Mortality <sup>1</sup>	Withdrawal <sup>2</sup>	Mortality <sup>1</sup>	Withdrawal <sup>2</sup>
20	0.07	9.94	0.02	11.94
25	0.07	9.67	0.03	11.62
30	0.07	9.30	0.03	11.21
35	0.07	8.71	0.04	10.55
40	0.09	7.75	0.06	9.40
45	0.12	6.35	0.09	7.54
50	0.18	4.22	0.13	4.83
55	0.28	1.55	0.20	1.73
60	0.44	0.15	0.30	0.16

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

<sup>2</sup> Withdrawal rates do not apply at retirement eligibility.

The termination rates were based on historical and current demographic data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of terminations and the projected number based on the assumption over the most recent 5 years.

**Retirement Rate for Active and Inactive Vested Participants**

Age 66

The retirement rate was based on historical and current data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of retirements and the projected number based on the assumption over the most recent 5 years.

<b>Future Service Accruals</b>	<p>49 weeks per year</p> <p>The future service accruals were based on historical and current data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, a comparison was made between the assumed and the actual benefit accruals over the most recent 5 years</p>
<b>Unknown Data for Participants</b>	<p>Same as those exhibited by participants with similar known characteristics. If not specified, participants are assumed to be male.</p>
<b>Exclusion of Inactive Participants</b>	<p>Inactive participants over age 75 are excluded from the valuation</p> <p>The exclusion of inactive vested participants over age 75 was based on historical and current data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, the ages of new retirees from inactive vested status were reviewed.</p>
<b>Percent Married</b>	<p>70%</p>
<b>Age of Spouse</b>	<p>Spouses of male participants are four years younger and spouses of females participants are four years older.</p>
<b>Benefit Election</b>	<p>For future retirements, 40% of participants are assumed to elect the 75% Joint and Survivor Option (“QOSA”) and 60% are assumed to elect the Single Life Annuity.</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.</p>
<b>Delayed Retirement Factors</b>	<p>Inactive vested participants who are assumed to commence receipt of benefits after attaining normal retirement age qualify for delayed retirement increases.</p>
<b>Net Investment Return</b>	<p>3.00%</p> <p>The net investment return assumption is an 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 Segal Marco Advisors, as well as the Plan’s target asset allocation.</p>

**Assumptions Changes from 2020 Zone Certification**

<b>Annual Administrative Expenses</b>	<p>\$500,000 for 2019, increasing 3% per year, payable monthly. The expenses were further increased in 2031 to account for the anticipated PBGC premium increase. The expenses were also capped at 12% of projected benefit payments.</p> <p>The annual administrative expenses were based on historical and current data, adjusted to reflect estimated future experience and professional judgment.</p>
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**Collective Bargaining  
Units (Wages)**

For contribution purposes in the 2020 zone certification, CBUs were assumed to increase 3% per year. For normal cost and benefit payment purposes, wages for any participant were assumed to increase at 3% per year, but starting wages for replacement participants were assumed to increase 1% per year.

**Below is a summary of the most recent 10-year CBU history, excluding the COVID period. The data shows an average CBU decline of about 10% each year. Based on this data, CBUs are now assumed to decrease up to 3% per year from those in the 2018/2019 plan year, through the 2028/2029 plan year, and 1% thereafter. For any participant, wages are assumed to increase 3% per year. To the extent that the expected decrements do not result in the 3% reduction in CBUs, the reduction is less than 3%.**

Plan Year Ending 6/30	CBUs (Salaries)	Ratio to prior year
2010	7,177,635	
2011	6,607,834	0.9206
2012	4,377,825	0.6625
2013	3,979,798	0.9091
2014	3,515,133	0.8832
2015	3,289,297	0.9358
2016	2,897,826	0.8810
2017	2,629,995	0.9076
2018	2,815,093	1.0704
2019	2,824,828	1.0035
	Annual change:	-0.0984

**Retirement Rate for Active and Inactive Vested Participants**

For the 2020 zone certification, the retirement rate for both active participants and inactive vested participants was age 65. No rates were assumed before age 65 because 92% of actives and 99% of inactive vested participants are not eligible for an early retirement benefit under the Default Schedule of the Rehabilitation Plan. The retirement rate was changed to age 66 because the average retirement age for all pensioners over the last 5 years was 65.8.

**Benefit Election**

For the 2020 zone certification, all future pensioners who were assumed to be married (70%) were also assumed to elect the 75% Joint and Survivor Option (“QOSA”) and the remaining 30% were assumed to elect the Single Life Annuity. Based on the actual benefit election patterns summarized below, 40% of future pensioners are now assumed to elect the 75% Joint and Survivor Option and 60% are assumed to elect the Single Life Annuity.

<b>Benefit Option</b>	<b>Number of Pensioners</b>	<b>Percentage</b>
Single Life Annuity	87	57%
75% Joint and Survivor Option	42	27%
50% Joint and Survivor Option	24	16%
	153	100%

**New Entrant Profile**

Based on actual new hires in the most-recent 5-year period. Unless otherwise noted, assumptions for future new entrants are the same as observed for actual new hires as indicated below.

<b>Age</b>	<b>Count</b>	<b>Percent</b>
Below 20	0	0.0%
20-30	2	22.2%
30-40	3	33.3%
40-50	2	22.2%
50-60	1	11.1%
60-70	1	11.1%
70 & Above	0	0.0%

All new hires were male.

The average weekly salary was \$773.26; when adjusted for the assumed 1% annual increase for replacement participants, the average was \$781.04 as of 7/1/2020.

All new hires entered the valuation with 1 full Year of Credit.

New hires entered the valuation with accruals ranging from 20 to 52 weeks. Future new entrants are assumed to enter future valuation dates with 26 weeks of accruals (i.e. assumed to enter the Plan mid-year, on average).

# Application Checklist


v20210708p

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

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

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

If a revised application is filed after a denial was received but the application was not withdrawn, the revised application must differ from the denied application only to the extent necessary to address the reasons provided by PBGC for the denial. For the revised application, the filer may, but is not required to, submit an entire application. A revised application for SFA must use the same SFA measurement date, participant census data, and interest rate assumption as were used in the plan's initial application. For all Application Checklist Items that were previously filed that are not being changed, the filer may include a statement in the Plan Comments section of the Application Checklist to indicate that the other information was previously provided as part of the initial application. For each, enter N/A as the **Plan Response**.

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

Instructions for specific columns:

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

## Application Checklist

v20210708p

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

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

**Page Number Reference(s):** For any Checklist Item where only a portion of the submitted document is responsive, identify the page numbers in the identified document that are responsive.

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

Supplemental guidance is provided in the following columns:

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

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

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

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

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

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

Note, a Yes or No response is required for the three initial questions concerning whether or not this application is a submission of a revised application, or whether the plan has been terminated.



## **Application Checklist**

v20210708p

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

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

**All information and documentation, unless covered by the Privacy Act, that is included in an SFA application may be posted on PBGC's website at [www.pbgc.gov](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.**

**APPLICATION CHECKLIST**

Plan name:	San Francisco Lithographers Pension Trust
EIN:	94-6052228
PN:	001
SFA Amount Requested:	134424299
<b>Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #47.</b>	

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

Checklist Item #	Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	Upload as Document Type	Requested File Naming (if applicable)	SFA Regulation Reference	SFA Filing Instructions Reference
<b>Plan Information, Checklist, and Certifications</b>									
	Is this application a revised application submitted after the denial of a previously filed application for SFA?	Yes No	no						
	Is this application a revised application submitted after a plan has withdrawn its application for SFA?	Yes No	no						
	Has this plan been terminated?	Yes No	no		If terminated, provide date of plan termination.				
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	Checklist Litho.xlsx			Special Financial Assistance Checklist	Checklist Pension Plan Name, where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.6(a) Section E, Item 1
2.	Does the application include an SFA request cover letter (optional)? Enter N/A if no letter is provided.	Yes N/A	N/A				Financial Assistance Request Letter		Section D, Item 1
3.	Was the application signed and dated by an authorized trustee who is a current member of the board of trustees or another authorized representative of the plan sponsor?	Yes No	yes	Application Litho.pdf	2		Financial Assistance Application	§ 4262.6(b)(1)	Section D
4.	Does the application include the required penalties of perjury statement signed by an authorized trustee who is a current member of the board of trustees?	Yes No	yes	Application Litho.pdf	12		Financial Assistance Application	§ 4262.6(b)(2)	Section E, Item 6
5.	Does the application include the name, address, email, and telephone number of the plan sponsor? Does it also include the same contact information for the plan sponsor's duly authorized representatives, including legal counsel and enrolled actuary?	Yes No	yes	Application Litho.pdf	8, 10	Plan Counsel not provided	Financial Assistance Application	§ 4262.7(a)	Section D, Item 2
6.	Does the application identify the eligibility criteria in § 4262.3 that qualifies the plan as eligible to receive SFA, and include the requested information for each item that is applicable, as described in Section D, Item 3 of the instructions?	Yes No	yes	Application Litho.pdf	7	Plan became insolvent June 1, 2021 and began to receive PBGC financial assistance as of that date	Financial Assistance Application	§ 4262.3 § 4262.7(b)	Section D, Item 3
7a.	If the plan claims SFA eligibility under section 4262(b)(1)(C) of ERISA, does the application include a certification from the plan's enrolled actuary that the plan is eligible for SFA which specifically notes the specified year for each component of eligibility (certification of plan status, modified funding percentage, and participant ratio), the detailed derivation of the modified funding percentage, and the derivation of the participant ratio?	Yes No N/A	n/a				Financial Assistance Application	§ 4262.6(c) § 4262.7(b)	Section E, Item 2
7b.	Does the certification in Checklist Item #7a also identify all assumptions and methods (including supporting rationale and, where applicable, reliance on the plan sponsor) used to develop the current value of withdrawal liability that is utilized in the calculation of the modified funded percentage?	Yes No N/A	n/a				Financial Assistance Application	§ 4262.6(c) § 4262.7(b)	Section E, Item 2
8a.	If the plan's application is submitted on or before March 11, 2023, does the application identify the plan's priority group (see § 4262.10(d)(2))?	Yes No N/A	yes	Application Litho.pdf	8	Group 1	Financial Assistance Application	§ 4262.7(c) § 4262.10(d)(2)	Section D, Item 4

**APPLICATION CHECKLIST**

Plan name:	San Francisco Lithographers Pension Trust
EIN:	94-6052228
PN:	001
SFA Amount Requested:	134424299
<b>Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #47.</b>	

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

Checklist Item #		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	Upload as Document Type	Requested File Naming (if applicable)	SFA Regulation Reference	SFA Filing Instructions Reference
8b.	If the plan is submitting an emergency application under § 4262.10(f), is the application identified as an emergency application with the applicable emergency criteria identified?	Yes No N/A	n/a			Briefly identify the emergency criteria.	Financial Assistance Application		§ 4262.10(f)	Section D, Item 4
9.	If the plan's application is submitted on or prior to March 11, 2023, does the application include a certification from the plan's enrolled actuary that the plan is eligible for priority status, with specific identification of the applicable priority group? This item is not required if the plan is insolvent, has implemented a MPRA suspension as of 3/11/2021, is in critical and declining status and had 350,000+ participants, or is listed on PBGC's website at <a href="http://www.pbgc.gov">www.pbgc.gov</a> as being in priority group 6. See § 4262.10(d).	Yes No N/A	n/a				Financial Assistance Application		§ 4262.6(c) § 4262.7(c) § 4262.10(d)(2)	Section E, Item 3
10.	Does the application include the information used to determine the amount of requested SFA for the plan based on a deterministic projection and using the actuarial assumptions as described in § 4262.4? Does the application include the following? a. Interest rate used, including supporting details (such as, if applicable, the month selected by plan sponsor to determine the third segment rate used to calculate the interest rate limit) on how it was determined? b. Fair market value of assets on the SFA measurement date? c. For each plan year in the SFA coverage period: i. Separately identify the projected amount of contributions, projected withdrawal liability payments, and other payments expected to be made to the plan (excluding the amount of financial assistance under section 4261 of ERISA and the SFA to be received by the plan)? ii. Separately identify benefit payments described in § 4262.4(b)(1) (excluding the payments in (iii) below), for current retirees and beneficiaries, terminated vested participants not currently receiving benefits, currently active participants, and new entrants? iii. Separately identify benefit payments described in § 4262.4(b)(1) attributable to the reinstatement of benefits under § 4262.15 that were previously suspended through the SFA measurement date? iv. Separately identify administrative expenses expected to be paid using plan assets, excluding the amount owed PBGC under section 4261 of ERISA? d. For each plan year in the SFA coverage period, the projected investment income based on the interest rate in (a) above, and the projected fair market value of assets at the end of each plan year? e. The present value (using the interest rate identified in (a) above) as of the SFA measurement date of each of the separate items provided in (c)(i)-(iv) above? f. SFA amount determined as a lump sum as of the SFA measurement date?	Yes No	yes	Template 4 Litho.xlsx			Projections for special financial assistance (estimated income, benefit payments and expenses)	Template 4 Pension Plan Name where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.4 § 4262.8(a)(4)	Section C, Item 4
11.	Does the application include the plan's enrolled actuary's certification that the requested amount of SFA is the amount to which the plan is entitled under section 4262(j)(1) of ERISA and § 4262.4 of PBGC's SFA regulation, including identification of all assumptions and methods used, sources of participant data and census data, and other relevant information? This certification should be calculated reflecting any events and any mergers identified in § 4262.4(f).	Yes No	yes	Application Litho.pdf	10		Financial Assistance Application		§ 4262.4 § 4262.6(c) § 4262.8(a)(4)	Section E, Item 4
12.	Does the application include a detailed narrative description of the development of the assumed future contributions and assumed future withdrawal liability payments used to calculate the requested SFA amount?	Yes No	yes	Application Litho.pdf	8-9		Financial Assistance Application		§ 4262.8(a)(6)	Section D, Item 5

**APPLICATION CHECKLIST**

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<b>PN:</b>	001
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13.	For plans eligible for SFA under § 4262.3(a)(1) or § 4262.3(a)(3), does the application identify which assumptions (if any) used in showing the plan's eligibility for SFA differ from those used in the most recent certification of plan status completed before 1/1/2021? If there are any assumption changes, does the application include detailed explanations and supporting rationale and information as to why using the identified assumptions is no longer reasonable and why the changed assumptions are reasonable? Enter N/A if the plan is not eligible under § 4262.3(a)(1) or § 4262.3(a)(3). Enter N/A if there are no such assumption changes.	Yes No N/A	n/a				Financial Assistance Application		§ 4262.5 § 4262.8(b)(1)	Section D, Item 6.a.
14a.	Does the application identify which assumptions (if any) used to determine the requested SFA amount differ from those used in the most recent certification of plan status completed before 1/1/2021 (except for the interest rate, which is determined as required by § 4262.4(3)(1))? If there are any assumption changes, does the application include detailed explanations and supporting rationale and information as to why using the identified original assumptions is no longer reasonable and why the changed assumptions are reasonable? Does the application state if the changed assumption is an extension of the CBU assumption or the administrative expenses assumption as described in Paragraph A "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's guidance on Special Financial Assistance Assumptions?	Yes No	yes	Assumptions Litho.PDF			Financial Assistance Application		§ 4262.5 § 4262.8(b)(1)	Section D, Item 6.b.
14b.	If a plan-specific mortality table is used for Checklist Item #14a, is supporting information provided that documents the methodology used and the rationale for selection of the methodology used to develop the plan-specific rates, as well as detailed information showing the determination of plan credibility and plan experience?	Yes No N/A	n/a				Financial Assistance Application		§ 4262.5 § 4262.8(b)(1)	Section D, Item 6.b.
15a.	Does the application include a certification from the plan sponsor with respect to the accuracy of the amount of the fair market value of assets as of the SFA measurement date? Does the certification reference and include information that substantiates the asset value and any projection of the assets to the SFA measurement date?	Yes No	yes	Application Litho.pdf	11		Financial Assistance Application		§ 4262.8(a)(4)(ii)	Section E, Item 5
15b.	Does the certification in Checklist Item #15a reference and include information that substantiates the asset value and any projection of the assets to the SFA measurement date?	Yes No	yes	FinStnt Litho.PDF			Financial Assistance Application		§ 4262.8(a)(4)(ii)	Section E, Item 5
16a.	Does the application include, for an eligible plan that implemented a suspension of benefits under section 305(e)(9) or section 4245(a) of ERISA, a narrative description of how the plan will reinstate the benefits that were previously suspended and a proposed schedule of payments (equal to the amount of benefits previously suspended) to participants and beneficiaries? Enter N/A for a plan that has not implemented a suspension of benefits.	Yes No N/A	yes	Application Litho.pdf	9		Financial Assistance Application		§ 4262.7(d) § 4262.15	Section D, Item 7 Section C, Item 4(c)(iii)
16b.	If Yes was entered for Checklist Item #16a, does the proposed schedule show the yearly aggregate amount and timing of such payments, and is it prepared assuming the effective date for reinstatement is the day after the SFA measurement date? Enter N/A for a plan that entered N/A for Checklist Item #16a.	Yes No N/A	yes	Application Litho.pdf	9		Financial Assistance Application		§ 4262.7(d) § 4262.15	Section D, Item 7 Section C, Item 4(c)(iii)

**APPLICATION CHECKLIST**

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<b>PN:</b>	001
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16c.	If the plan restored benefits under 26 CFR 1.432(e)(9)-1(e)(3) before the SFA measurement date, does the proposed schedule reflect the amount and timing of payments of restored benefits and the effect of the restoration on the benefits remaining to be reinstated? Enter N/A for a plan that did not restore benefits under 26 CFR 1.432(e)(9)-1(e)(3) before the SFA measurement date. Also enter N/A for a plan that entered N/A for Checklist Items #16a and #16b.	Yes No N/A	n/a				Financial Assistance Application		§ 4262.7(d) § 4262.15	Section D, Item 7 Section C, Item 4(c)(iii)
17.	If the SFA measurement date is later than the end of the plan year for the most recent plan financial statements, does the application include a reconciliation of the fair market value of assets from the date of the most recent plan financial statements to the SFA measurement date, showing beginning and ending fair market value of assets, contributions, withdrawal liability payments, benefits paid, administrative expenses, and investment income? Enter N/A if the SFA measurement date is not later than the end of the plan year for the most recent plan financial statements.	Yes No N/A	n/a				Financial Assistance Application		§ 4262.8(a)(4)(ii)	Section D, Item 8
18.	Does the application include the most recent plan document or restatement of the plan document and all amendments adopted since the last restatement (if any)?	Yes No	yes	plandoc litho.pdf			Pension plan documents, all versions available, and all amendments signed and dated		§ 4262.7(e)(1)	Section B, Item 1(a)
19.	Does the application include a copy of the executed plan amendment required by section 4262.6(e)(1) of PBGC's special financial assistance regulation?	Yes No	yes	Litho AmendCert.pdf			Pension plan documents, all versions available, and all amendments signed and dated		§ 4262.7(e)(1) § 4262.6(e)(1)	Section B, Item 1(c)
20.	Does the application include the most recent trust agreement or restatement of the trust agreement, and all amendments adopted since the last restatement (if any)?	Yes No	yes	Trust Litho.PDF			Pension plan documents, all versions available, and all amendments signed and dated		§ 4262.7(e)(3)	Section B, Item 1(b)
21.	In the case of a plan that suspended benefits under section 305(e)(9) or section 4245 of ERISA, does the application include a copy of the proposed plan amendment required by § 4262.6(e)(2) and a certification from the plan sponsor that it will be timely executed? Enter N/A if there was no suspension of benefits.	Yes No N/A	yes	Litho AmendCert.pdf			Pension plan documents, all versions available, and all amendments signed and dated		§ 4262.7(e)(2) § 4262.6(e)(2)	Section B, Item 1(d)
22.	In the case of a plan that was partitioned under section 4233 of ERISA, does the application include a statement that the plan was partitioned under section 4233 of ERISA and a copy of the amendment required by § 4262.9(c)(2)? Enter N/A if the plan was not partitioned.	Yes No N/A	n/a				Pension plan documents, all versions available, and all amendments signed and dated		§ 4262.7(e)(1) § 4262.9(b)(2)	Section B, Item 1(e)
23.	Does the application include the most recent IRS determination letter? Enter N/A if the plan does not have a determination letter.	Yes No N/A	yes	Determination Litho.PDF			Pension plan documents, all versions available, and all amendments signed and dated		§ 4262.7(e)(3)	Section B, Item 1(f)
24.	Does the application include the actuarial valuation report for the 2018 plan year and each subsequent actuarial valuation report completed before the application filing date?	Yes No	yes	2018AVR Litho.PDF, 2019AVR Litho.PDF 2020AVR Litho.PDF		3 reports provided	Most recent actuarial valuation for the plan	YYYYAVR Pension Plan Name , where "YYYY" is plan year and "Pension Plan Name" is abbreviated version of the plan name	§ 4262.7(e)(5)	Section B, Item 2
25a.	Does the application include the most recent rehabilitation plan (or funding improvement plan, if applicable), including all subsequent amendments and updates, and the percentage of total contributions received under each schedule of the rehabilitation plan or funding improvement plan for the most recent plan year available?	Yes No N/A	Yes	Rehab Litho.PDF			Rehabilitation plan (or funding improvement plan, if applicable)		§ 4262.7(e)(6)	Section B, Item 3
25b.	If the most recent rehabilitation plan does not include historical documentation of rehabilitation plan changes (if any) that occurred in calendar year 2020 and later, does the application include a supplemental document with these details?	Yes No N/A	n/a				Rehabilitation plan (or funding improvement plan, if applicable)		§ 4262.7(e)(6)	Section B, Item 3

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26.	Does the application include the plan's most recent Form 5500 (Annual Return/Report of Employee Benefit Plan) and all schedules and attachments (including the audited financial statement)?	Yes No	yes	2019Form5500 Litho.PDF			Latest annual return/report of employee benefit plan (Form 5500)	YYYYForm5500 Pension Plan Name , where "YYYY" is the plan year and "Pension Plan Name" is abbreviated version of the plan name.	§ 4262.7(e)(7)	Section B, Item 4
27a.	Does the application include the plan actuary's certification of plan status ("zone certification") for the 2018 plan year and each subsequent annual certification completed before the application filing date? Enter N/A if the plan does not have to provide certifications for any requested plan year.	Yes No N/A	yes	2018Zone20180928 LITHO.pdf 2019Zone20190927 LITHO.pdf 2020Zone20200928 LITHO.pdf		3 certs provided	Zone certification	YYYYZoneYYYYMMDD Pension Plan Name, where the first "YYYY" is the applicable plan year, and "YYYYMMDD" is the date the certification was prepared. "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.7(e)(8)	Section B, Item 5
27b.	Does the application include documentation for all certifications that clearly identifies all assumptions used including the interest rate used for funding standard account purposes? Enter N/A if the plan entered N/A for Checklist Item #27a.	Yes No N/A	yes	2018AVR Litho.PDF 2019AVR Litho.PDF 2020AVR Litho.PDF			Zone certification		§ 4262.7(e)(8)	Section B, Item 5
27c.	For a certification of critical and declining status, does the application include the required plan-year-by-plan-year projection (showing the items identified in Section B, Item 5(a) through 5(f) of the SFA Instructions) demonstrating the plan year that the plan is projected to become insolvent? Enter N/A if the plan entered N/A for Checklist Item #27a or if the application does not include a certification of critical and declining status.	Yes No N/A	yes	Year-by-year.xlsx			Zone certification		§ 4262.7(e)(8)	Section B, Item 5
28.	Does the application include the most recent account statements for all of the plan's cash and investment accounts? Insolvent plans may enter N/A, and identify in the Plan Comments that this information was previously submitted to PBGC and the date submitted.	Yes No N/A	yes	Checking Litho.PDF			Bank/Asset statements for all cash and investment accounts		§ 4262.7(e)(9)	Section B, Item 6
29.	Does the application include the most recent plan financial statement (audited, or unaudited if audited is not available)? Insolvent plans may enter N/A, and identify in the Plan Comments that this information was previously submitted to PBGC and the date submitted.	Yes No N/A	yes	FinStmt Litho.PDF			Plan's most recent financial statement (audited, or unaudited if audited not available)		§ 4262.7(e)(10)	Section B, Item 7
30.	Does the application include all of the plan's written policies and procedures governing the plan's determination, assessment, collection, settlement, and payment of withdrawal liability?	Yes No N/A	yes			Amendments 1, 6 and 8 to the Trust document address withdrawal liability issues.	Pension plan documents, all versions available, and all amendments signed and dated		§ 4262.7(e)(12)	Section B, Item 8
31.	Does the application include information required to enable the plan to receive electronic transfer of funds, if the SFA application is approved? See SFA Instructions, Section B, Item 9.	Yes No N/A	yes	Fedwire Litho.PDF			Other		§ 4262.7(e)(11)	Section B, Item 9
32.	Does the application include the plan's projection of expected benefit payments as reported in response to line 8b(1) on the Form 5500 Schedule MB for plan years 2018 through the last year the Form 5500 was filed before the application submission date? Enter N/A if the plan is not required to respond Yes to line 8b(1) on the Form 5500 Schedule MB. See Template 1.	Yes No N/A	yes	Template 1 Litho.xlsx			Financial assistance spreadsheet (template)	Template 1 Pension Plan Name , where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(a)(1)	Section C, Item 1

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33.	If the plan was required to enter 10,000 or more participants on line 6f of the most recently filed Form 5500, does the application include a current listing of the 15 largest contributing employers (the employers with the largest contribution amounts) and the amount of contributions paid by each employer during the most recently completed plan year (without regard to whether a contribution was made on account of a year other than the most recently completed plan year)? If this information is required, it is required for the 15 largest contributing employers even if the employer's contribution is less than 5% of total contributions. Enter N/A if the plan is not required to provide this information. See Template 2.	Yes No N/A	n/a				Contributing employers	Template 2 Pension Plan Name , where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(a)(2)	Section C, Item 2
34.	Does the application include for each of the most recent 10 plan years immediately preceding the application filing date, the history of total contributions, total contribution base units (including identification of the unit used), average contribution rates, and number of active participants at the beginning of each plan year? Does the history separately show for each of the most recent 10 plan years immediately preceding the application filing date all other sources of non-investment income such as withdrawal liability payments collected, reciprocity contributions (if applicable), additional contributions from the rehabilitation plan (if applicable), and other identifiable sources of contributions? See Template 3.	Yes No	Yes	Template 3 Litho.XLSX			Historical Plan Financial Information (CBUs, contribution rates, contribution amounts, withdrawal liability payments)	Template 3 Pension Plan Name , where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(a)(3)	Section C, Item 3
35.	Does the application include a separate deterministic projection ("Baseline") in the same format as Checklist Item #10 that shows the amount of SFA that would be determined if the assumptions used are the same as those used in the most recent actuarial certification of plan status completed before January 1, 2021 ("pre-2021 certification of plan status"), excluding the plan's interest rate which should be the same as used for determining the SFA amount and excluding the CBU assumption and administrative expenses assumption which should reflect the changed assumptions consistent with Paragraph A "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's guidance on Special Financial Assistance Assumptions)? Enter N/A if this item is not required because all assumptions used (except the interest rate, CBU assumption and administrative expenses assumption) to determine the requested SFA amount are identical to those used in the pre-2021 certification of plan status and if the changed assumptions for CBUs and administrative expenses are consistent with Paragraph A "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's guidance on Special Financial Assistance Assumptions. <a href="https://www.pbtc.gov/sites/default/files/sfa/SFA-Assumptions-Guidance.pdf">https://www.pbtc.gov/sites/default/files/sfa/SFA-Assumptions-Guidance.pdf</a> See Template 5.	Yes No N/A	Yes	Template 5 Litho.XLSX			Financial assistance spreadsheet (template)	Template 5 Pension Plan Name , where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(b)(2)	Section C, Item 5
36.	Does the application include a reconciliation of the change in the total amount of requested SFA due to each change in assumption from the Baseline to the requested SFA amount? Does the application include a deterministic projection and other information for each assumption change, in the same format as for Checklist Item #10? Enter N/A if this item is not required because all assumptions used (except the interest rate, CBU assumption and administrative expenses assumption) to determine the requested SFA amount are identical to those used in the pre-2021 certification of plan status and if the changed assumptions for CBUs and administrative expenses are consistent with Paragraph A "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's guidance on Special Financial Assistance Assumptions, or if the requested SFA amount in Checklist Item #10 is the same as the amount shown in the Baseline details of Checklist Item #32. See Template 6.	Yes No N/A	yes	Template 6 Litho.XLSX			Financial assistance spreadsheet (template)	Template 6 Pension Plan Name , where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(b)(3)	Section C, Item 6

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37a.	For plans eligible for SFA under § 4262.3(a)(1) or § 4262.3(a)(3), does the application include a table identifying which assumptions used in determining the plan's eligibility for SFA differ from those used in the pre-2021 certification of plan status?  Enter N/A if the plan is eligible for SFA under § 4262.3(a)(2) or § 4262.3(a)(4) or if the plan is eligible based on a certification of plan status completed before 1/1/2021. Also enter N/A if the plan is eligible based on a certification of plan status completed after 12/31/2020 but that reflects the same assumptions as those in the pre-2021 certification of plan status. See Template 7.	Yes No N/A	n/a				Financial assistance spreadsheet (template)	Template 7 Pension Plan Name, where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(b)(1)	Section C, Item 7(a)
37b.	Does Checklist Item #37a include brief explanations as to why using those assumptions is no longer reasonable and why the changed assumptions are reasonable? This should be an abbreviated version of information provided in Checklist Item #13. Enter N/A if the plan entered N/A for Checklist Item #37a. See Template 7.	Yes No N/A	n/a				Financial assistance spreadsheet (template)	Template 7 Pension Plan Name, where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(b)(1)	Section C, Item 7(a)
38.	Does the application include a table identifying which assumptions differ from those used in the pre-2021 certification of plan status (except the interest rate used to determine SFA)? Does this item include brief explanations as to why using those original assumptions is no longer reasonable and why the changed assumptions are reasonable? Does the application state if the changed assumption is an extension of the CBU assumption or the administrative expenses assumption as described in Paragraph A "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's guidance on Special Financial Assistance Assumptions? This should be an abbreviated version of information provided in Checklist Items #14a-b. See Template 7.	Yes No N/A	yes	Template 7 Litho.XLSX			Financial assistance spreadsheet (template)	Template 7 Pension Plan Name, where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(b)(1)	Section C, Item 7(b)
39a.	Does the application include details of the projected contributions and withdrawal liability payments used to calculate the requested SFA amount, including total contributions, contribution base units (including identification of base unit used), average contribution rate(s), reciprocity contributions (if applicable), additional contributions from the rehabilitation plan (if applicable), and any other identifiable contribution streams? See Template 8.	Yes No	yes	Template 8 Litho.XLSX			Financial assistance spreadsheet (template)	Template 8 Pension Plan Name, where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(a)(5)	Section C, Item 8
39b.	Does the application separately show the amounts of projected withdrawal liability payments for employers that are currently withdrawn at the application filing date, and assumed future withdrawals? Does the application also provide the projected number of active participants at the beginning of each plan year? See Template 8.	Yes No	yes	Template 8 Litho.XLSX			Financial assistance spreadsheet (template)	Template 8 Pension Plan Name, where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(a)(5)	Section C, Item 8
39c.	Does the application also provide the projected number of active participants at the beginning of each plan year? See Template 8.	Yes No	yes	Template 8 Litho.XLSX			Financial assistance spreadsheet (template)	Template 8 Pension Plan Name, where "Pension Plan Name" is an abbreviated version of the plan name.	§ 4262.8(a)(5)	Section C, Item 8
<b>Supplemental Information for Certain Events under § 4262.4(f) - Applicable to Any Events in § 4262.4(f)(2) through (f)(4) and Any Mergers in § 4262.4(f)(1)(ii)</b>										
40a.	Does the application include a narrative description of any event and any merger, including relevant supporting documents which may include plan amendments, collective bargaining agreements, actuarial certifications related to a transfer or merger, or other relevant materials? Enter N/A if the plan has not experienced an event or merger.	Yes No N/A	N/a				Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section D
40b.	For a transfer or merger event, does the application include identifying information for all plans involved including plan name, EIN and plan number, and the date of the transfer or merger? Enter N/A if the plan has not experienced a transfer or merger event.	Yes No N/A	N/a				Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section D



**APPLICATION CHECKLIST**

Plan name:	San Francisco Lithographers Pension Trust
EIN:	94-6052228
PN:	001
SFA Amount Requested:	134424299
Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #47.	

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

Checklist Item #		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	Upload as Document Type	Requested File Naming (if applicable)	SFA Regulation Reference	SFA Filing Instructions Reference
41a.	Does the narrative description in the application identify the amount of SFA reflecting any event, the amount of SFA determined as if the event had not occurred, and confirmation that the requested SFA provided in Checklist Item #1 is no greater than the amount that would have been determined if the event had not occurred, unless the event is a contribution rate reduction and such event lessens the risk of loss to plan participants and beneficiaries? Enter N/A if the plan has not experienced any event.	Yes No N/A	N/a				Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section D
41b.	For a merger, is the determination of SFA as if the event had not occurred equal to the sum of the amount that would be determined for this plan and each plan merged into this plan (each as if they were still separate plans)? Enter N/A if the plan entered N/A for Checklist Item #41a. Enter N/A if the event described in Checklist Item #41a was not a merger.	Yes No N/A	N/a				Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section D
42a.	Does the application include a supplemental version of Checklist Item #6 that shows the determination of SFA eligibility as if any events had not occurred? Enter N/A if the plan has not experienced any event.	Yes No N/A	N/a				Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section D
42b.	For any merger, does this item include demonstrations of SFA eligibility for this plan and for each plan merged into this plan (each of these determined as if they were still separate plans)? Enter N/A if the plan entered N/A for Checklist Item #42a. Enter N/A if the event described in Checklist Item #42a was not a merger.	Yes No N/A	N/a				Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section D
43a.	Does the application include a supplemental certification from the plan's enrolled actuary with respect to the plan's SFA eligibility (see Checklist Item #7), but with eligibility determined as if any events had not occurred? Enter N/A if the plan has not experienced any event.	Yes No N/A	N/a				Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section E
43b.	For any merger, does the application include supplemental certifications of the SFA eligibility for this plan and for each plan merged into this plan (each of these determined as if they were still separate plans)? Enter N/A if the plan entered N/A for Checklist Item #43a. Also enter N/A if the event described in Checklist Item #43a was not a merger.	Yes No N/A	N/a				Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section E
44a.	Does the application include a supplemental version of Checklist Item #10 that shows the determination of the SFA amount as if any events had not occurred? See Template 4. Enter N/A if the plan has not experienced any events.	Yes No N/A	N/a				Projections for special financial assistance (estimated income, benefit payments and expenses)	For supplemental submission due to any event: <i>Template 4 Pension Plan Name Supp</i> where "Pension Plan Name" is an abbreviated version of the plan name. For a supplemental submission due to a merger, <i>Template 4 Pension Plan Name Merged</i> , where "Pension Plan Name Merged" is an abbreviated version of the plan name for the separate plan	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section C
44b.	For any merger, does the application show the SFA determination for this plan and for each plan merged into this plan (each of these determined as if they were still separate plans)? See Template 4. Enter N/A if the plan entered N/A for Checklist Item #44a. Also enter N/A if the event described in Checklist Item #44a was not a merger.	Yes No N/A	N/a				Projections for special financial assistance (estimated income, benefit payments and expenses)	For a supplemental submission due to a merger, <i>Template 4 Pension Plan Name Merged</i> , where "Pension Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section C

**APPLICATION CHECKLIST**

Plan name:	San Francisco Lithographers Pension Trust
EIN:	94-6052228
PN:	001
SFA Amount Requested:	134424299
<b>Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #47.</b>	

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

Checklist Item #		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	Upload as Document Type	Requested File Naming (if applicable)	SFA Regulation Reference	SFA Filing Instructions Reference
45a.	Does the application include a supplemental certification from the plan's enrolled actuary with respect to the plan's SFA amount (see Checklist Item #11), but with the SFA amount determined as if any events had not occurred? Enter N/A if the plan has not experienced any events.	Yes No N/A	N/a				Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section E
45b.	Does this certification clearly identify all assumptions and methods used, sources of participant data and census data, and other relevant information? Enter N/A if the plan entered N/A for Checklist Item #45a.	Yes No N/A	N/a				Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section E
45c.	For any merger, does the application include supplemental certifications of the SFA amount determined for this plan and for each plan merged into this plan (each of these determined as if they were still separate plans)? Enter N/A if the plan entered N/A for Checklist Item #45a. Also enter N/A if the event described in Checklist Item #45a was not a merger.	Yes No N/A	N/a				Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section E
45d.	For any merger, do the certifications clearly identify all assumptions and methods used, sources of participant data and census data, and other relevant information? Enter N/A if the plan entered N/A for Checklist Item #45a. Enter N/A if the event described in Checklist Item #45a was not a merger.	Yes No N/A	N/a				Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section E
46a.	If the event is a contribution rate reduction and the amount of requested SFA is not limited to the amount of SFA determined as if the event had not occurred, does the application include a detailed demonstration that shows that the event lessens the risk of loss to plan participants and beneficiaries? Enter N/A if the event is not a contribution rate reduction, or if the event is a contribution rate reduction but the requested SFA is limited to the amount of SFA determined as if the event had not occurred.	Yes No N/A	N/a				Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section D
46b.	Does this demonstration also identify all assumptions used, supporting rationale for the assumptions and other relevant information? Enter N/A if the plan entered N/A for Checklist Item #46a.	Yes No N/A	N/a				Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section D
47a.	If the event is a contribution rate reduction and the amount of requested SFA is not limited to the amount of SFA determined as if the event had not occurred, does the application include a certification from the plan's enrolled actuary (or, if appropriate, from the plan sponsor) with respect to the demonstration to support a finding that the event lessens the risk of loss to plan participants and beneficiaries? Enter N/A if the event is not a contribution rate reduction, or if the event is a contribution rate reduction but the requested SFA is limited to the amount of SFA determined as if the event had not occurred.	Yes No N/A	N/a				Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section E
47b.	Does this demonstration also identify all assumptions used, supporting rationale for the assumptions and other relevant information? Enter N/A if the event is not a contribution rate reduction, or if the event is a contribution rate reduction but the requested SFA is limited to the amount of SFA determined as if the event had not occurred.	Yes No N/A	N/a				Financial Assistance Application		§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section E

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

**Plans that have experienced mergers identified in § 4262.4(f)(1)(ii) must complete Checklist Items #48 through #60. If you are required to complete Checklist Items #48 through #60, your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #48 through #60. All other plans should not provide any responses for Checklist Items #48 through #60.**

**APPLICATION CHECKLIST**

<b>Plan name:</b>	San Francisco Lithographers Pension Trust
<b>EIN:</b>	94-6052228
<b>PN:</b>	001
<b>SFA Amount Requested:</b>	134424299
<b>Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #47.</b>	

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

Checklist Item #		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	Upload as Document Type	Requested File Naming (if applicable)	SFA Regulation Reference	SFA Filing Instructions Reference
48.	In addition to the information provided with Checklist Item #18, does the application also include similar plan documents and amendments for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?	Yes No N/A					Pension plan documents, all versions available, and all amendments signed and dated	Use same naming convention as for Checklist Item #18 but with abbreviated plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B
49.	In addition to the information provided with Checklist Item #20, does the application also include similar trust agreements and amendments for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?	Yes No N/A					Pension plan documents, all versions available, and all amendments signed and dated	Use same naming convention as for Checklist Item #20 but with abbreviated plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B
50.	In addition to the information provided with Checklist Item #23, does the application also include the most recent IRS determination for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)? Enter N/A if the plan does not have a determination letter.	Yes No N/A					Pension plan documents, all versions available, and all amendments signed and dated	Use same naming convention as for Checklist Item #23 but with abbreviated plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B
51.	In addition to the information provided with Checklist Item #24, for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii), does the application include the actuarial valuation report for the 2018 plan year and each subsequent actuarial valuation report completed before the application filing date?	Yes No N/A				Identify here how many reports are provided.	Most recent actuarial valuation for the plan	YYYYAVR Pension Plan Name Merged, where "YYYY" is plan year and "Pension Plan Name Merged" is abbreviated version of the plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B
52.	In addition to the information provided with Checklist Item #25, does the application include similar rehabilitation plan information for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?	Yes No N/A					Rehabilitation plan (or funding improvement plan, if applicable)	Use same naming convention as for Checklist Item #25 but with abbreviated plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B
53.	In addition to the information provided with Checklist Item #26, does the application include similar Form 5500 information for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?	Yes No N/A					Latest annual return/report of employee benefit plan (Form 5500)	YYYYForm5500 Pension Plan Name Merged, where "YYYY" is the plan year and "Pension Plan Name Merged" is abbreviated version of the plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B
54.	In addition to the information provided with Checklist Item #27, does the application include similar certifications of plan status for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?	Yes No N/A				Identify how many zone certifications are provided.	Zone certification	YYYYZoneYYYYMMDD Pension Plan Name Merged, where the first "YYYY" is the applicable plan year, and "YYYYMMDD" is the date the certification was prepared. "Pension Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B
55.	In addition to the information provided with Checklist Item #28, does the application include the most recent cash and investment account statements for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?	Yes No N/A					Bank/Asset statements for all cash and investment accounts	Use same naming convention as for Checklist Item #28 but with abbreviated plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B
56.	In addition to the information provided with Checklist Item #29, does the application include the most recent plan financial statement (audited, or unaudited if audited is not available) for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?	Yes No N/A					Plan's most recent financial statement (audited, or unaudited if audited not available)	Use same naming convention as for Checklist Item #29 but with abbreviated plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B

**APPLICATION CHECKLIST**

<b>Plan name:</b>	San Francisco Lithographers Pension Trust
<b>EIN:</b>	94-6052228
<b>PN:</b>	001
<b>SFA Amount Requested:</b>	134424299
<b>Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #47.</b>	

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

Checklist Item #		Response Options	Plan Response	Name of File(s) Uploaded	Page Number Reference(s)	Plan Comments	Upload as Document Type	Requested File Naming (if applicable)	SFA Regulation Reference	SFA Filing Instructions Reference
57.	In addition to the information provided with Checklist Item #30, does the application include all of the written policies and procedures governing the plan's determination, assessment, collection, settlement, and payment of withdrawal liability for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?	Yes No N/A					Pension plan documents, all versions available, and all amendments signed and dated	Use same naming convention as for Checklist Item #30 but with abbreviated plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section B
58.	In addition to the information provided with Checklist Item #32, does the application include the same information in the format of Template 1 for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)? Enter N/A if each plan that fully merged into this plan is not required to respond Yes to line 8b(1) on the most recently filed Form 5500 Schedule MB.	Yes No N/A					Financial assistance spreadsheet (template)	Template 1 Pension Plan Name Merged, where "Pension Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section C
59.	In addition to the information provided with Checklist Item #33, does the application include the same information in the format of Template 2 (if required based on the participant threshold) for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)? Enter N/A if each plan that merged into this plan has less than 10,000 participants on line 6f of the most recently filed Form 5500.	Yes No N/A					Contributing employers	Template 2 Pension Plan Name Merged, where "Pension Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section C
60.	In addition to the information provided with Checklist Item #34, does the application include similar information in the format of Template 3 for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)?	Yes No					Historical Plan Financial Information (CBUs, contribution rates, contribution amounts, withdrawal liability payments)	Template 3 Pension Plan Name Merged, where "Pension Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan.	§ 4262.4(f) § 4262.8(c)	Addendum A for Certain Events, Section C



**San Francisco Lithographers  
Pension Trust**

**Actuarial Valuation and  
Review as of July 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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April 18, 2019

Board of Trustees  
San Francisco Lithographers Pension Trust  
Alameda, CA

Dear Trustees:

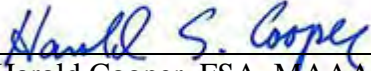
We are pleased to submit the Actuarial Valuation and Review as of July 1, 2018. It establishes the funding requirements for the current year and analyzes the preceding year's experience. It also summarizes the actuarial data and includes the actuarial information that is required to be filed with Form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

The census information upon which our calculations were based was prepared by the Fund Office, under the direction of Scott Wall. That assistance is gratefully acknowledged. The actuarial calculations were completed under the supervision of Paul C. Poon, ASA, 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:   
Harold Cooper, FSA, MAAA, EA  
Senior Vice President & Actuary

TAS/bbf

cc: Kate Buffo, CPA                      Catherine Gardner, CPA                      Scott Wall  
Patricia Davis, Esq.                      Ana P. Hallmon, Esq.  
William Dobbs                              John O'Donnell

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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>Scheduled Cost</b>	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. This cost measure is not included in the valuation because of the plan's projected 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. A separate report is available.



## 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

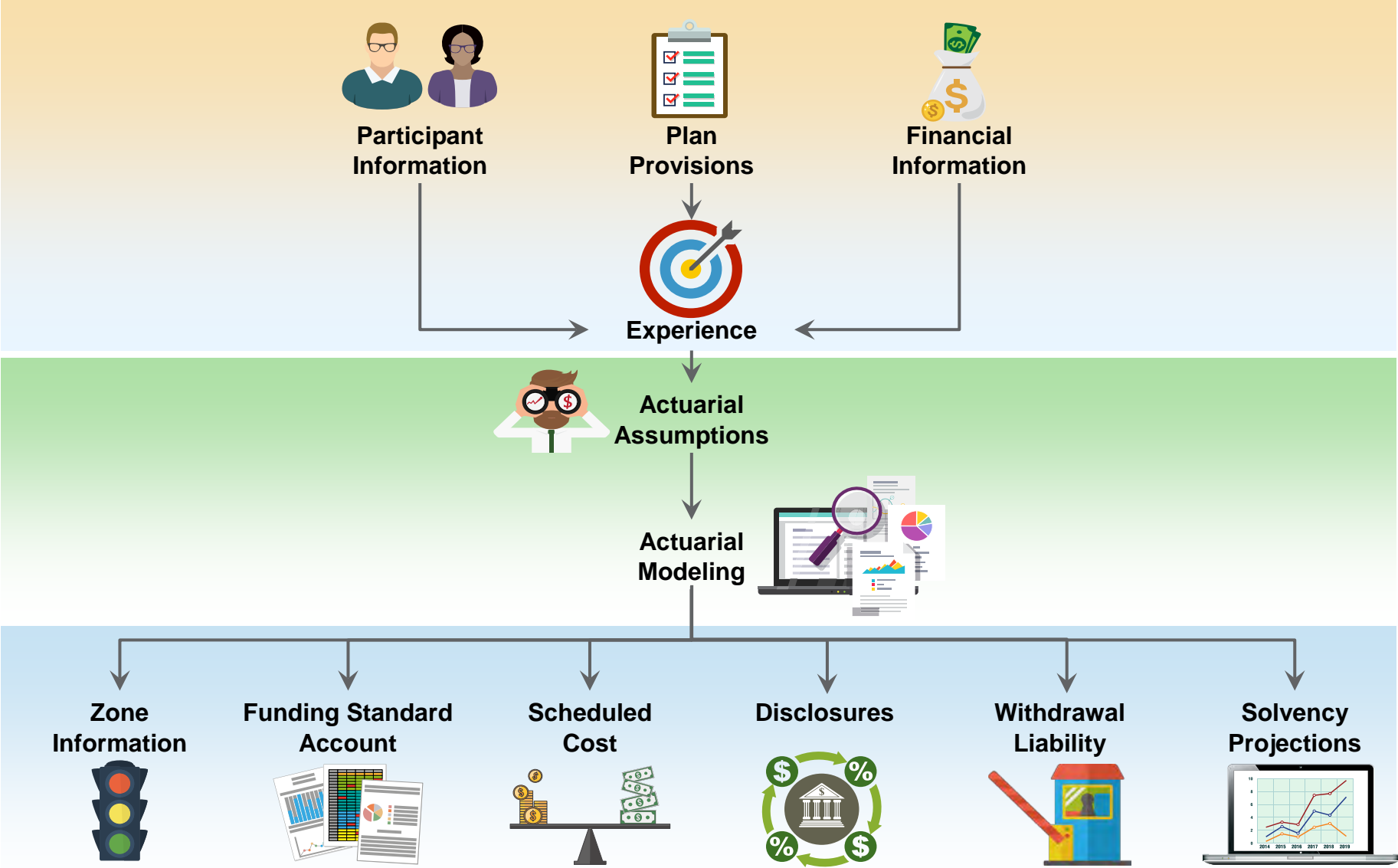
In preparing an actuarial valuation, Segal starts by developing a forecast of the benefits to be paid to existing plan participants for the rest of their lives and the lives of their beneficiaries. This requires actuarial assumptions as to the probability of death, disability, withdrawal, and retirement 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

		Critical and Declining	
		2017	2018
Certified Zone Status		<i>Critical and Declining</i>	<i>Critical and Declining</i>
<b>Demographic Data:</b>	• Number of active participants	49	49
	• Number of inactive participants with vested rights	695	654
	• Number of retired participants and beneficiaries	932	921
<b>Assets<sup>1</sup>:</b>	• Market value of assets (MVA)	\$26,452,434	\$19,943,359
	• Actuarial value of assets (AVA)	26,452,434	19,943,359
	• AVA as a percent of MVA	100.0%	100.0%
<b>Cash Flow:</b>	• Projected employer contributions (excluding withdrawal liability payments)	\$263,244	\$266,089
	• Actual contributions	398,111 <sup>2</sup>	--
	• Projected benefit payments and expenses	7,552,621	7,535,446
	• Insolvency projected in Plan Year ending	2022	2021
<b>Statutory Funding Information:</b>	• Minimum required contribution	\$49,542,790	\$60,365,157
	• Maximum deductible contribution	171,537,211	188,533,387
	• Annual Funding Notice percentage	23.1%	13.8%
	• FSA deficiency projected in Plan Year beginning	2017	2018
<b>Cost Elements on an FSA Cost Basis:</b>	• Normal cost, including administrative expenses	\$639,431	\$720,022
	• Actuarial accrued liability	114,608,952	144,707,635
	• Unfunded actuarial accrued liability (based on AVA)	\$88,156,518	\$124,764,276

<sup>1</sup> Excludes withdrawal liability payments due after the valuation date.

<sup>2</sup> Includes withdrawal liability payments of \$109,765

## Comparison of Funded Percentages

	Funded Percentages as of July 1		2018	
	2017	2018	Liabilities	Assets
1. Present Value of Future Benefits	22.8%	13.6%	\$146,576,410	\$19,943,359
2. Actuarial Accrued Liability	23.1%	13.8%	144,707,635	19,943,359
3. PPA'06 Liability and Annual Funding Notice	23.1%	13.8%	144,707,635	19,943,359
4. Accumulated Benefits Liability	23.1%	13.8%	144,707,635	19,943,359
5. Current Liability	18.9%	13.6%	146,387,378	19,943,359

Notes:

1. The value of benefits earned through the valuation date (accrued benefits) plus the value of benefits projected to be earned in the future for current participants. Used to develop the actuarial accrued liability, based on the funding investment return assumption of 3.00% and the actuarial (market) value of assets.
2. The portion of the present value of future benefits allocated by the actuarial cost method to years prior to the valuation date. Used in determining the Funding Standard Account, based on the funding investment return assumption of 3.00% and the actuarial (market) value of assets.
3. The present value of benefits earned through the valuation date (accrued benefits) defined by PPA'06, based on the funding investment return assumption of 3.00% and compared to the actuarial (market) value of assets.
4. The present value of accrued benefits for disclosure in the audited financial statements, based on the funding investment return assumption of 3.00%, and compared to the market value of assets.
5. The present value of accrued benefits based on a government-prescribed mortality table and investment return assumption of 3.04% for 2017 and 3.00% 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 July 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 rate of return on the actuarial and market value of plan assets was 2.31% for the 2017-2018 plan year. Given the low fixed income interest rate environment, target asset allocation and expectations of future investment returns for various asset classes, we will continue to monitor the Plan's actual and anticipated investment returns relative to the assumed rate of return on investments of 3.00%.
2. Based on past experience and future expectations, the investment return assumption was reduced from 5% to 3%. This change did not affect the plan's projected insolvency year.
3. The 2018 certification, issued on September 28, 2018, based on the liabilities calculated in the 2017 actuarial valuation, projected to July 1, 2018, and estimated asset information as of July 1, 2018, classified the Plan as critical and declining (in the Red Zone) because there was a projected deficiency in the FSA within one year and a projected insolvency within 15 years. This projection was based on the Trustees' industry activity assumption of 48 active participants each working, on average, 49 weeks per year.
4. The Trustees have adopted a Rehabilitation Plan that is designed to forestall plan insolvency. This valuation recognizes the benefit reductions and contribution increases under the Rehabilitation Plan schedules, for changes that have been renegotiated or imposed by the valuation date. As a result of collective bargaining, 92% of the active participants are now covered under the Default Schedule and 8% are covered under the Preferred Schedule.



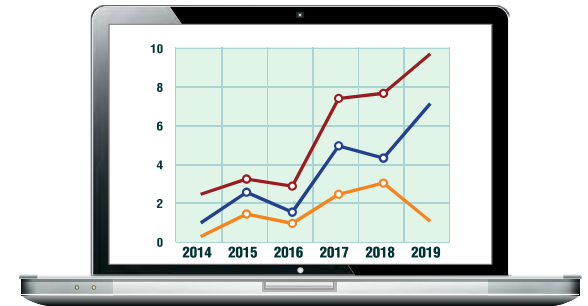
## B. Funded Percentage and Funding Standard Account

1. Based on this July 1, 2018 actuarial valuation, the funded percentage that will be reported on the 2018 Annual Funding Notice is 13.8%.
2. The funding deficiency in the FSA as of June 30, 2018 was \$49,134,726, an increase of \$9,148,970 from the prior year.



## C. Solvency Projections

1. Based on this valuation, the current value of assets plus future investment earnings and contribution income are not projected to cover benefit payments and administrative expenses beyond 2 years, with a projected insolvency during the 2020-2021 Plan Year. This is one year earlier than projected in the prior year's valuation, due to the 2.3% return for the year. *Section 2* includes a projection of the market value of assets until the expected insolvency year. If requested by the Trustees, we can perform additional projections of the financial status of the Plan.





## D. Funding Concerns

1. The projected inability to pay future benefits must continue to be monitored.
2. The actions already taken to address this issue include the Trustees' Rehabilitation Plan that was updated to forestall plan insolvency.
3. We will work with the Trustees to review alternatives that may help address the imbalance between the benefit levels in the Plan and resources available to pay for them.



## E. Risk

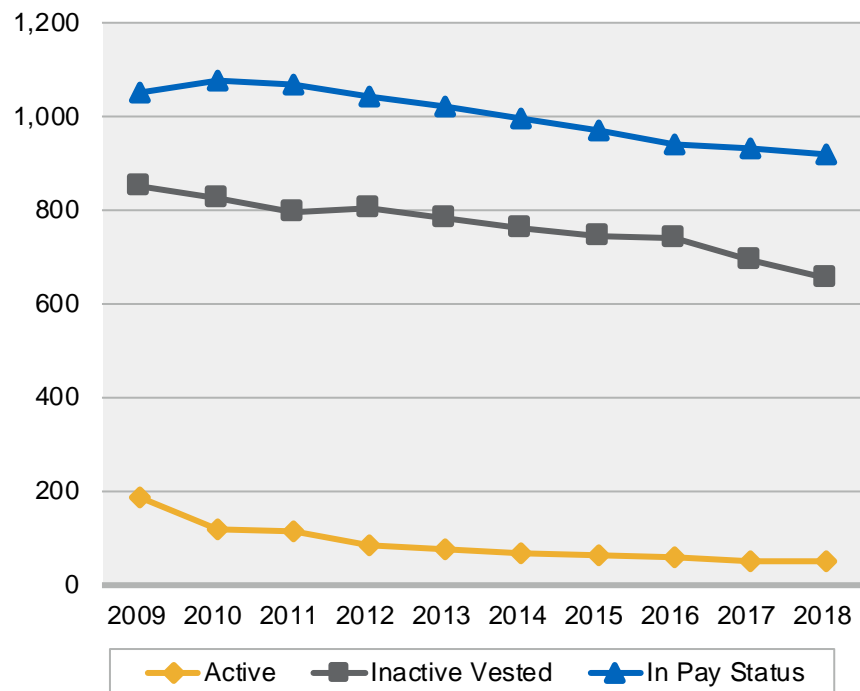
1. The actuarial valuation results are dependent on a single set of assumptions. Typically, there is a risk that emerging results may differ significantly as actual experience proves to be different from the current assumptions. However, due to the Plan's projected insolvency and asset allocation, the Plan has limited risk.

## Section 2: Actuarial Valuation Results

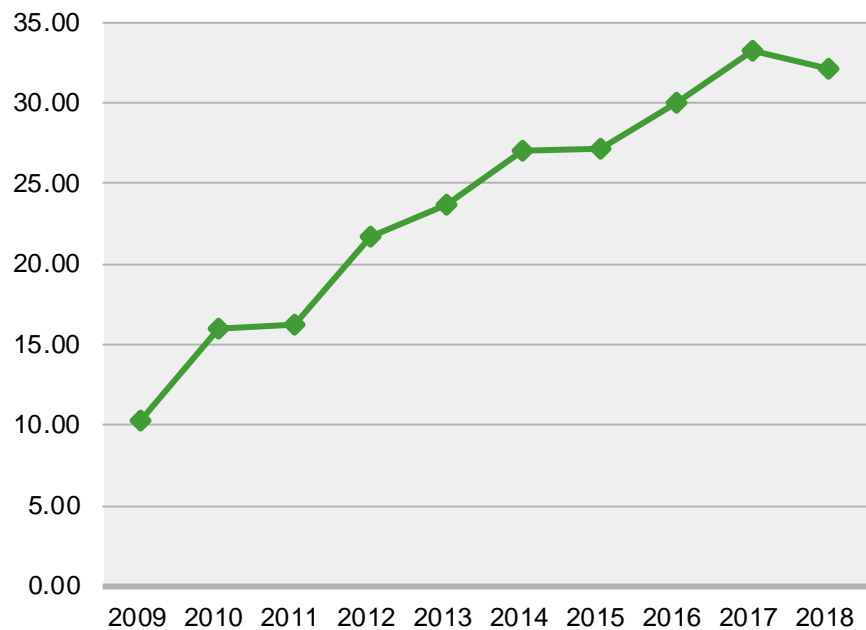
### Participant Information

- The Actuarial Valuation is based on demographic data as of June 30, 2018.
- There are 1,624 total participants in the current valuation, compared to 1,676 in the prior valuation.
- The ratio of non-actives to actives has decreased to 32.1 from 33.2 in the prior year.
- More details on the historical information are included in *Section 3, Exhibits A and B*.

POPULATION AS OF  
JUNE 30



RATIO OF NON-ACTIVES TO ACTIVES  
AS OF JUNE 30

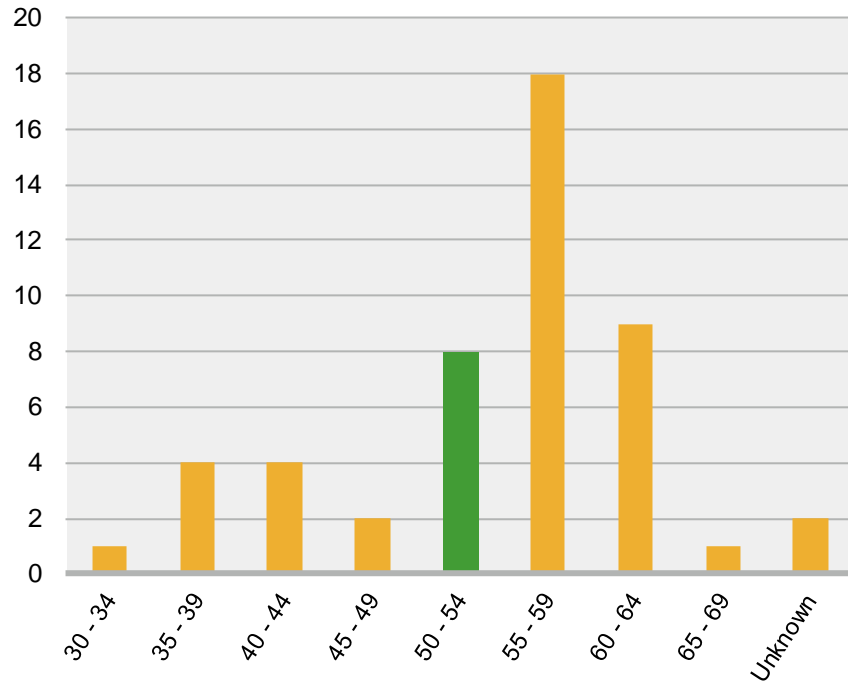


## Active Participants

- There were 49 active participants this year, the same as in the prior year.
- The age and service distribution is included in *Section 4, Exhibit 6*.

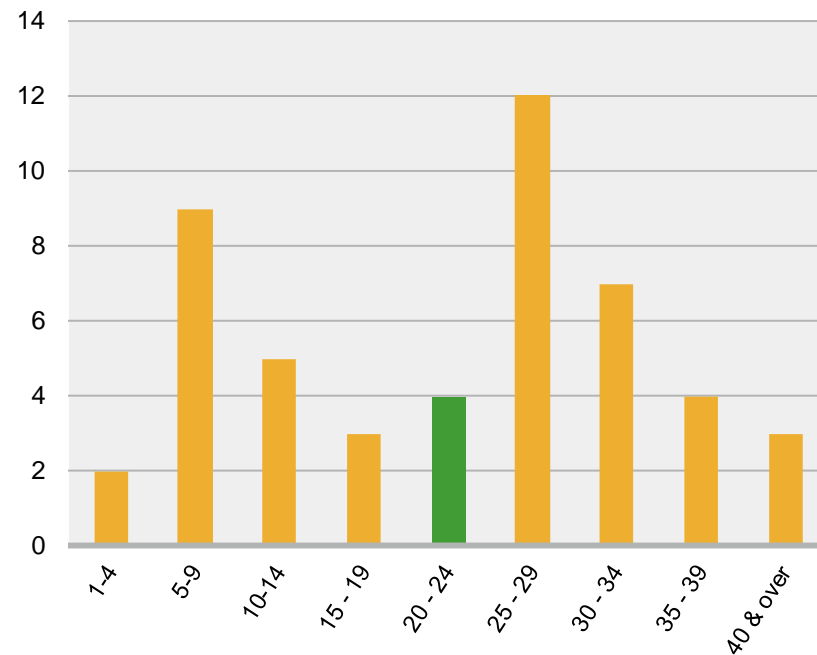
### Distribution of Active Participants as of June 30, 2018

BY AGE



<b>Average age</b>	<b>53.2</b>
Prior year average age	<u>54.1</u>
<b>Difference</b>	<b>-0.9</b>

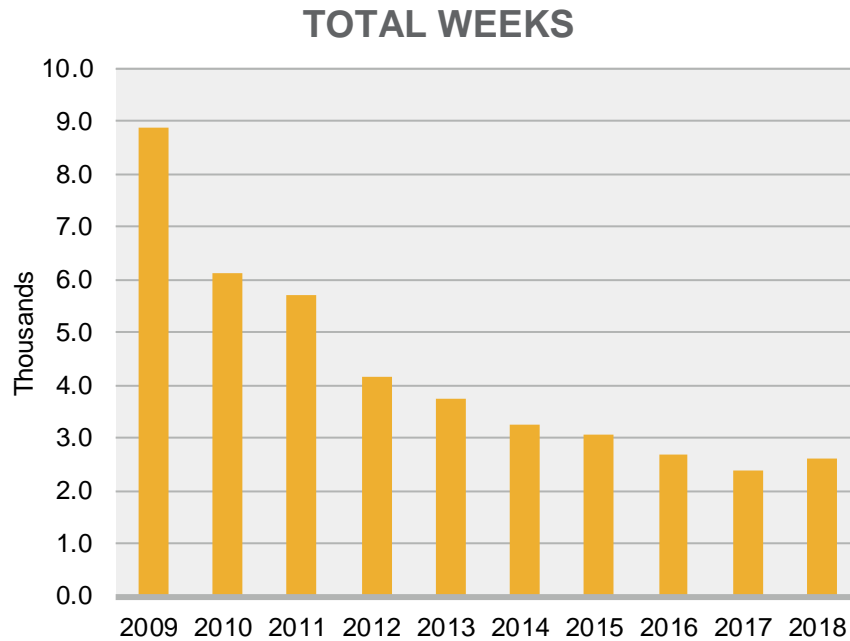
BY YEARS OF CREDIT



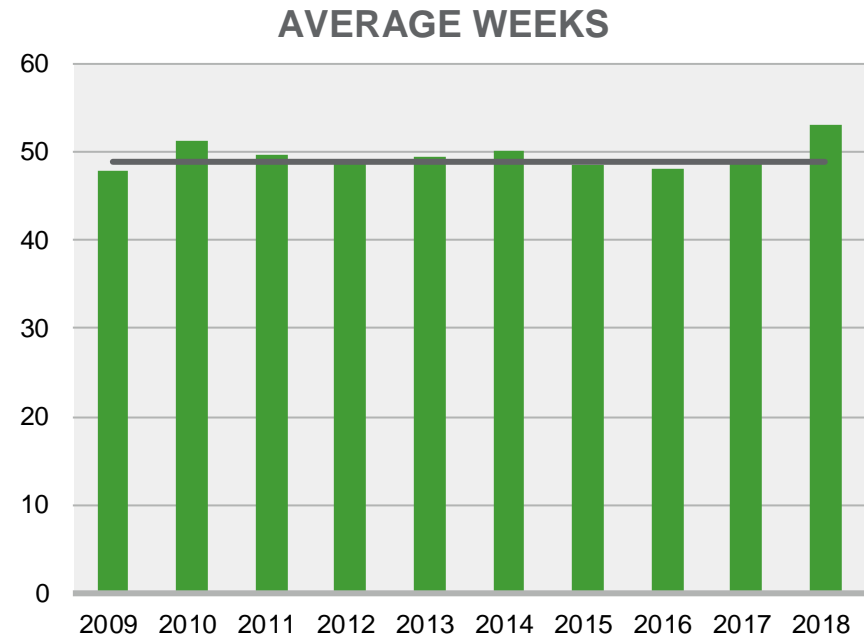
<b>Average Years of Credit</b>	<b>21.8</b>
Prior year average Years of Credit	<u>22.8</u>
<b>Difference</b>	<b>-1.0</b>

## Historical Employment

- The charts below show a history of weeks worked over the last ten years. Additional detail is in *Section 3, Exhibit C*.
- The 2018 zone certification was based on an industry activity assumption of 2,352 total annual contributing weeks (48 actives working an average of 49 weeks per year).
- Recent total weeks have been decreasing while the average weeks have been level.



Historical Average Total Weeks	
Last year	2,596
Last five years	2,803
Last 10 years	4,266



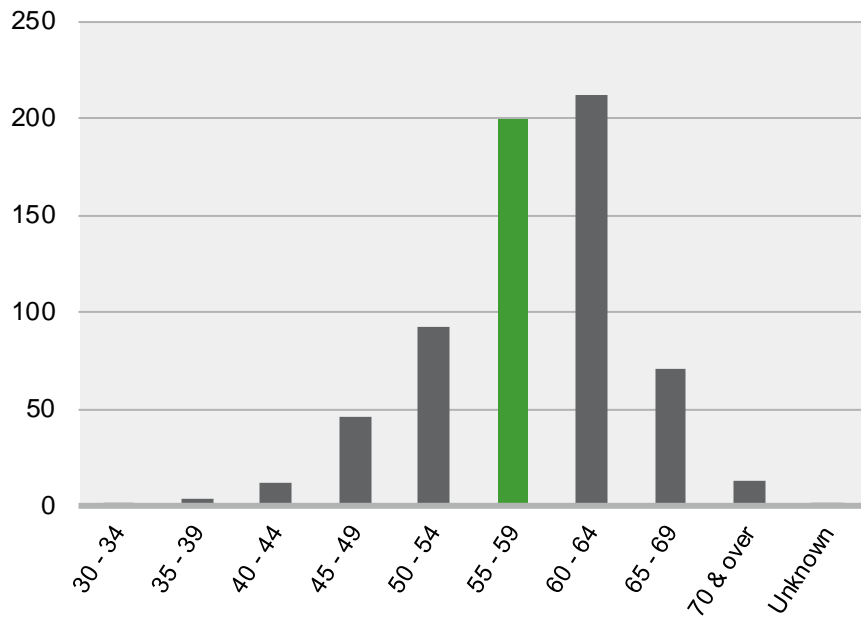
Historical Average Weeks	
Last year	53
Last five years	50
Last 10 years	50

## Inactive Vested Participants

- A participant who is not currently active and has satisfied the vesting requirements for, but has not yet commenced, a pension is considered an “inactive vested” participant.
- There were 654 inactive vested participants this year, a decrease of 5.9% compared to 695 last year.

### Distribution of Inactive Vested Participants as of June 30, 2018

BY AGE

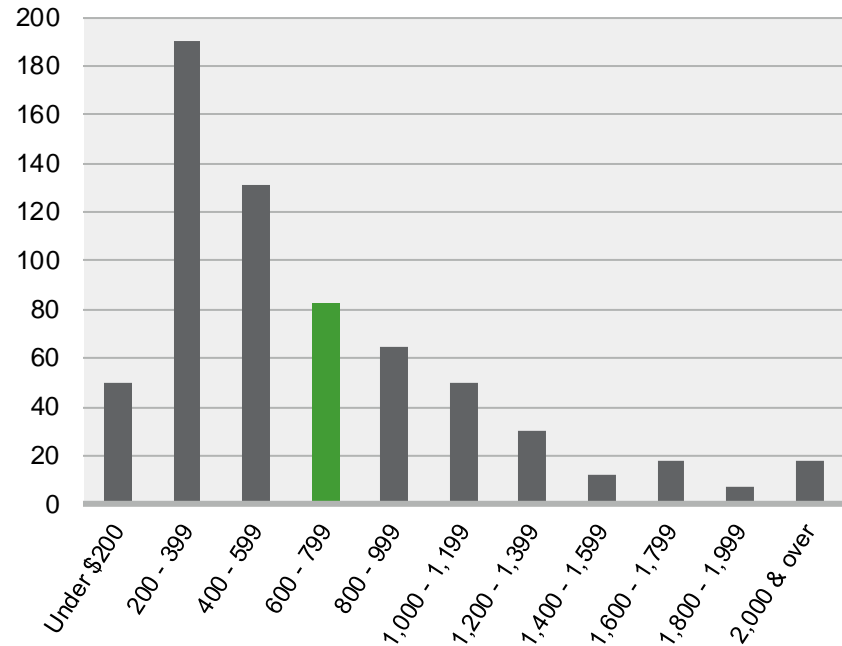


**Average age 58.1**

Prior year average age 57.6

**Difference 0.5**

BY MONTHLY AMOUNT



**Average amount \$675**

Prior year average amount \$668

**Difference \$7**

## New Pensions Awarded

- During the fiscal year ended June 30, 2018, there were 37 pensions awarded.
- The average monthly pension awarded, after adjustment for optional forms of payment, was \$702.

Year Ended June 30	Total		Normal		Early <sup>1</sup>	
	Number	Average Amount	Number	Average Amount	Number	Average Amount
2009	46	\$763	12	\$927	34	\$705
2010	73	658	18	610	55	674
2011	24	433	18	369	6	626
2012	16	576	16	576	–	–
2013	25	957	24	935	1	1,499
2014	16	664	16	664	–	–
2015	12	540	12	540	–	–
2016	27	813	27	813	–	–
2017	39	620	39	620	–	–
2018	37	702	37	702	–	–

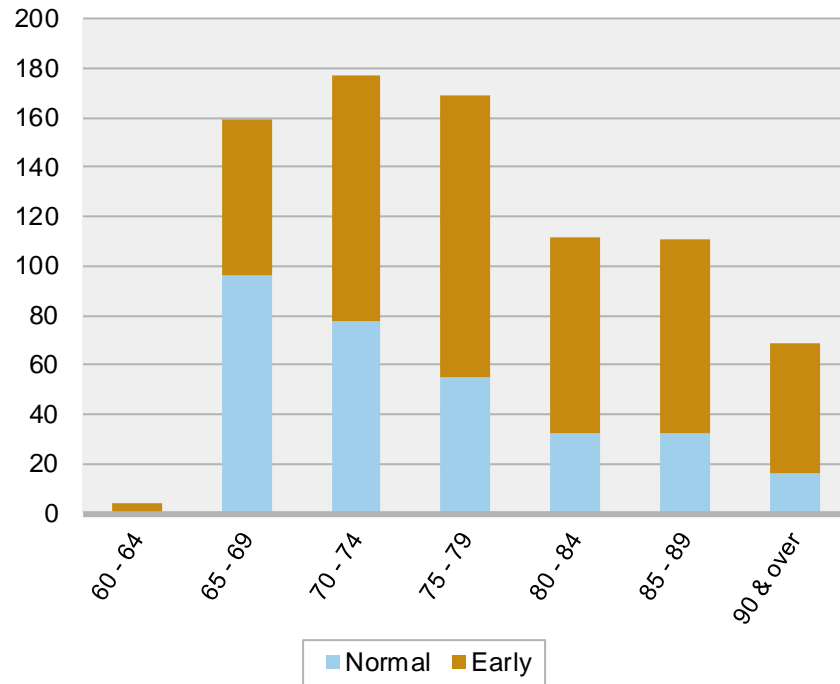
<sup>1</sup> This amount does not include the Supplemental Early Retirement Pension.

## Pay Status Information

- There were 801 pensioners and 120 beneficiaries this year, compared to 809 and 123, respectively, in the prior year.
- Monthly benefits for the Plan Year ending June 30, 2018 total \$549,009, as compared to \$548,921 in the prior year.

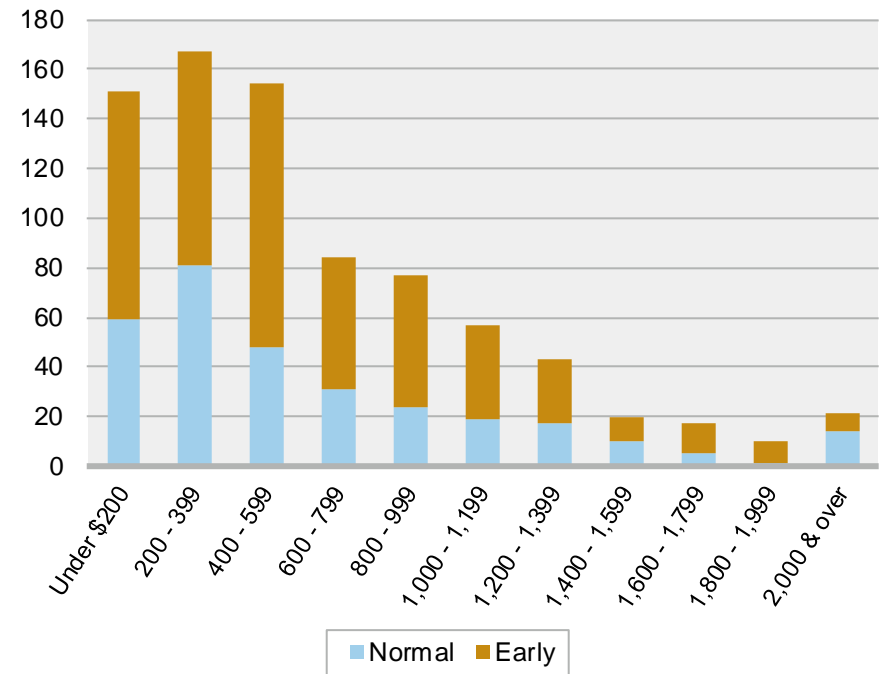
## Distribution of Pensioners as of June 30, 2018

### BY TYPE AND AGE



<b>Average age</b>	<b>77.3</b>
Prior year average age	<u>77.2</u>
<b>Difference</b>	<b>0.1</b>

### BY TYPE AND MONTHLY AMOUNT



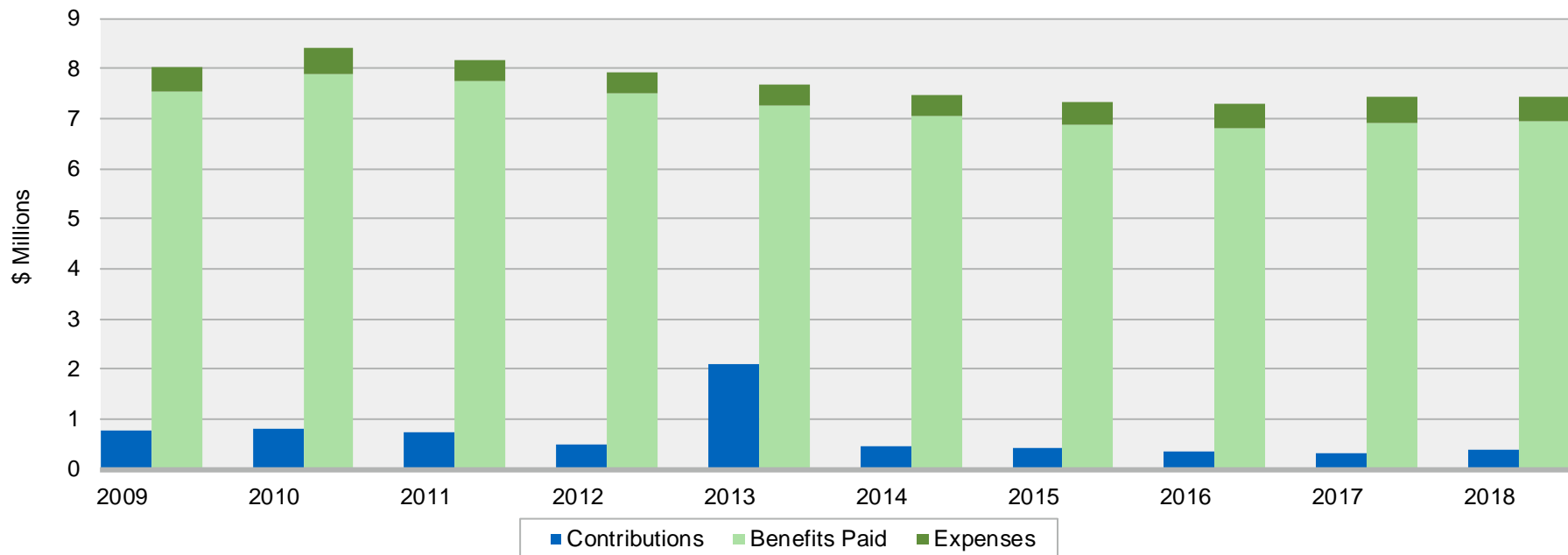
<b>Average amount</b>	<b>\$648</b>
Prior year average amount	<u>\$640</u>
<b>Difference</b>	<b>\$8</b>



## Financial Information

- Benefits and expenses are funded solely from contributions and investment earnings.
- Additional detail is in *Section 3, Exhibit E*.
- The ratio of benefit payments and expenses to contributions decreased from 22.6 last year to 18.7 this year.

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



## Determination of Actuarial Value of Assets

- The valuation is based on the market value of assets. Under this valuation method, the full value of market fluctuation is recognized in a single year and, as a result, the asset value and the pension plan cost are relatively volatile. However, the volatility of plan costs is not an important factor for plans projected to become insolvent.

1	Market value of assets, June 30, 2018	\$19,943,359
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## 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 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 JUNE 30, 2018

1	Loss from investments	<b>-\$616,915</b>
2	Gain from administrative expenses	17,008
3	Net gain from other experience	<u>56,966</u>
4	<b>Net experience loss: 1 + 2 + 3</b>	<b><u>-\$542,941</u></b>

## Actuarial Value Investment Experience

- 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.

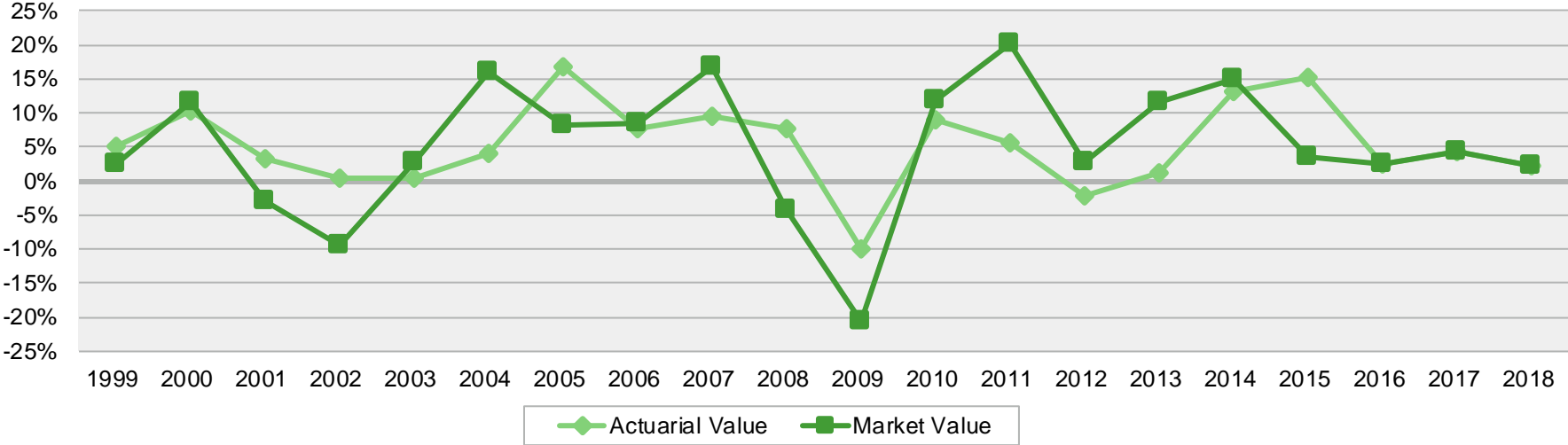
### INVESTMENT EXPERIENCE FOR THE YEAR ENDED JUNE 30, 2018

1	Net investment income	\$529,736
2	Average actuarial value of assets	22,933,029
3	Rate of return: $1 \div 2$	2.31%
4	Assumed rate of return	5.00%
5	Expected net investment income: $2 \times 4$	\$1,146,651
6	<b>Actuarial loss from investments: <math>1 - 5</math></b>	<b><u>-\$616,915</u></b>

# Historical Investment Returns

- The assumed rate of return of 3.00% considers past experience, the Trustees’ asset allocation policy, future expectations, and the plan’s projected insolvency.

**ACTUARIAL RATES OF RETURN FOR YEARS ENDED JUNE 30**



Average Rates of Return	Actuarial Value	Market Value
Most recent year return:	2.31%	2.31%
Most recent five-year average return:	8.21%	6.14%
Most recent ten-year average return:	3.12%	4.03%
20-year average return:	5.16%	4.31%

## Non-Investment Experience

### Administrative Expenses

- Administrative expenses for the year ended June 30, 2018 totaled \$483,370, as compared to the assumption of \$500,000.

### Mortality Experience

- Mortality experience (more or fewer than expected deaths) yields actuarial gains or losses.
- The average number of deaths for pensioners over the past 5 years was 41.6 per year compared to 42.6 projected deaths per year. The mortality table used was published by the Society of Actuaries for 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, and retirement experience (earlier or later than projected).

## Actuarial Assumptions

- The change in assumption for FSA and Solvency Projection purposes since the prior valuation was:
  - The investment return assumption was reduced from 5% to 3%.
- This change did not affect the Plan's projected insolvency year.
- 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 Rate Changes

- The average weekly wage rate increased slightly from \$1,087 in 2017 to \$1,088 in 2018.
- The average contribution rate increased slightly from 10.3% of salary in 2017 to 10.4% of salary in 2018.

## 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 J*.
- The 2018 certification, completed on September 28, 2018, was based on the liabilities calculated in the July 1, 2017 actuarial valuation, adjusted for subsequent events and projected to July 1, 2018, and estimated asset information as of July 1, 2018. The Trustees provided an industry activity projection of 48 active participants during the projection period, with each participant receiving contributions for 49 weeks each year.
- This Plan was classified as critical and declining because there was a projected deficiency in the FSA within one year and a projected insolvency within 15 years.
- In addition, the Plan is making the scheduled progress in meeting the requirements of its Rehabilitation Plan.

### Rehabilitation Plan Update

- The Trustees have designed a Rehabilitation Plan to forestall plan insolvency.
- The Rehabilitation Plan includes two “schedules” of proposed changes in benefits and contribution levels:
  - A “default” schedule that reduces benefits to the maximum extent permitted by law, including the elimination of early retirement benefits, and increases contribution rates.
  - A “preferred” schedule that has the same benefit reductions as the default schedule except it allows for the Supplemental Early Retirement Benefit (up to \$600 per month) for retirements prior to June 30, 2013 and for an unsubsidized Early Retirement Benefit. The preferred schedule also calls for higher contribution rates.

These schedules were provided to the bargaining parties as required.

- Collective bargaining agreements were renewed for all active participants to adopt one of the schedules. For inactive vested participants, the Rehabilitation Plan calls for benefit reductions based on the default schedule.
- Section 432(e)(3)(B) requires that the Trustees annually update the Rehabilitation Plan and Schedules. Segal will continue to assist the Trustees to evaluate and update the Rehabilitation Plan and to prepare the required assessment of Scheduled Progress.

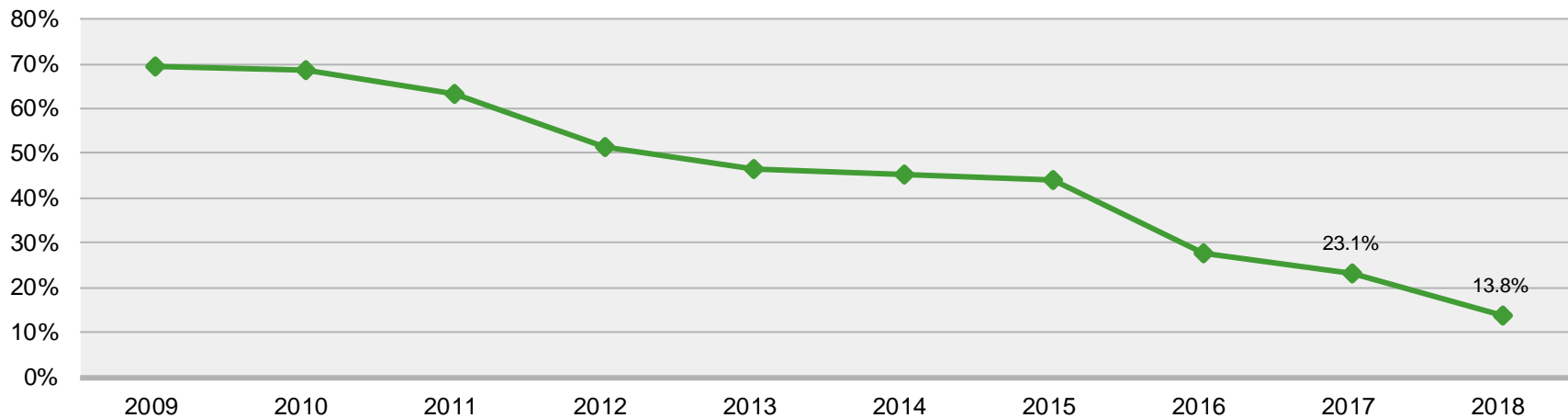
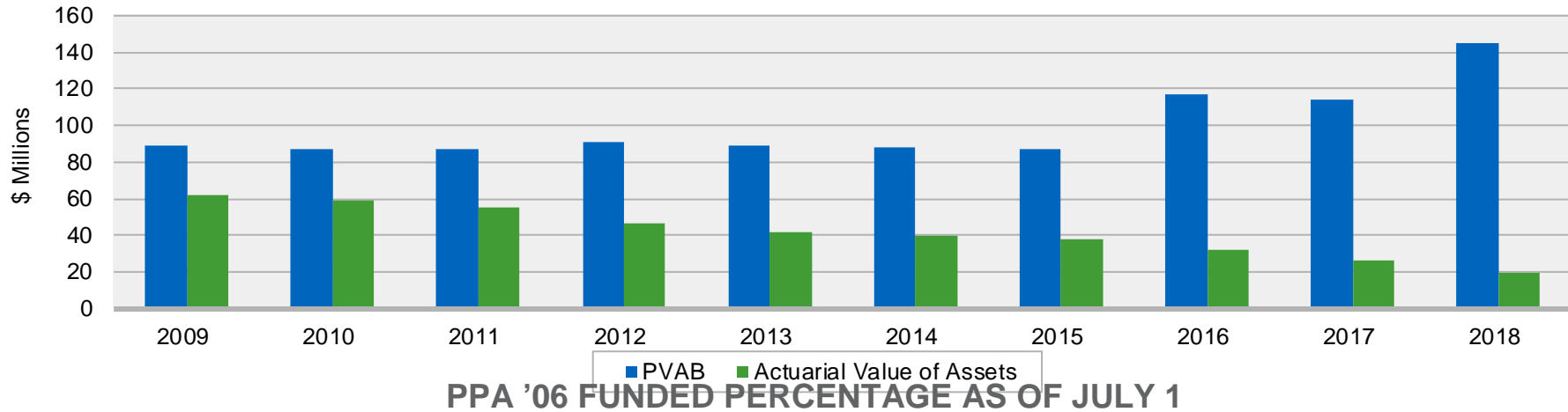


## Funding Standard Account (FSA)

- On June 30, 2018, the FSA had a funding deficiency of \$49,134,726, as shown on the 2017 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.
- The minimum funding requirement for the year beginning July 1, 2018 is \$60,365,157.
- A summary of the ERISA minimum funding requirements and the FSA for the year ended June 30, 2018 is included in *Section 3, Exhibit H*.

## PPA'06 Funded Percentage Historical Information

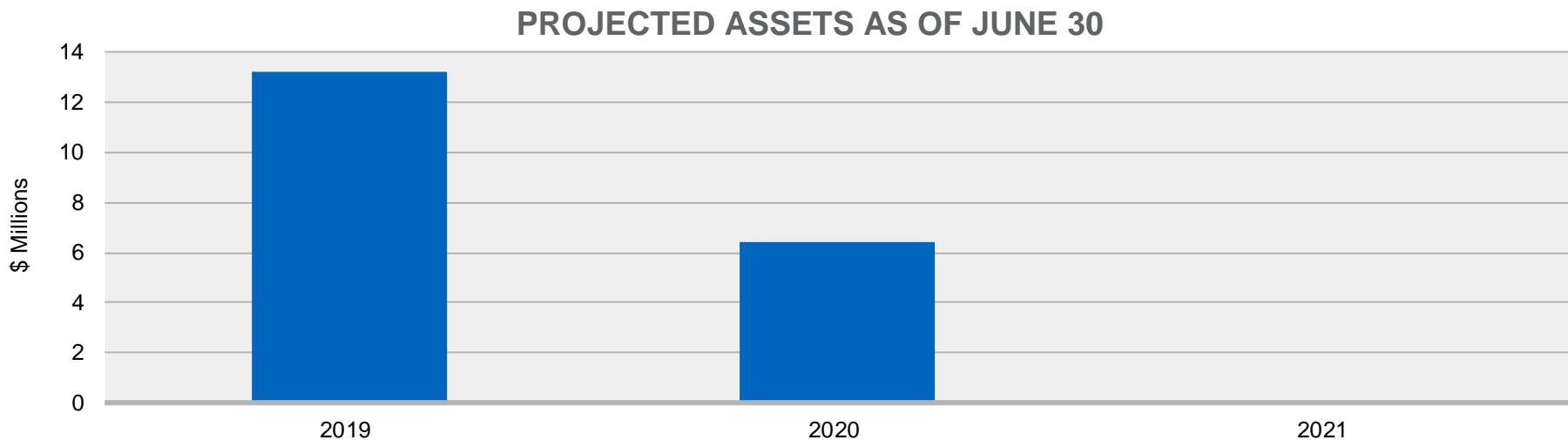
### PRESENT VALUE OF ACCRUED BENEFITS (PVAB) VS. ACTUARIAL VALUE OF ASSETS AS OF JULY 1



**The funded percentage continues to decline as the plan heads toward insolvency.**

## 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 within 4 years during the 2021-2022 Plan Year.
- The Plan is operating under a Rehabilitation Plan that is intended to forestall insolvency.
- Based on this valuation, assets are now projected to be exhausted in 2020-2021, as shown below. This is 1 year earlier than projected in the prior year valuation, due to the 2.3% market value return for 2017-2018.
- This projection is based on the negotiated contribution rates, the current valuation assumptions, the Trustees' industry activity projections from the 2018 zone certification (48 active participants, each receiving contributions for 49 weeks per year) and annual withdrawal liability payments of \$87,812.



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

## Funding Concerns

- The projected inability to pay future benefits must continue to be monitored.
- The actions already taken to address this issue include the Trustees' Rehabilitation Plan that was updated to forestall plan insolvency.
- We will work with the Trustees to review alternatives that may help address the imbalance between the benefit levels in the Plan and the resources available to pay for them.

## Risk

- The actuarial valuation results are dependent on a single set of assumptions. Typically, there is a risk that emerging results may differ significantly as actual experience proves to be different from the current assumptions. However, due to the Plan's projected insolvency and asset allocation, the Plan has limited risk.

## 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 July 1, 2018 is \$144,707,635 using the funding interest rate of 3.00%. As the actuarial value of assets is \$19,943,359, the Plan's funded percentage is 13.8%, compared to 23.1% in the prior year.

### Current Liability

- The Plan's current liability as of July 1, 2018 is \$146,387,378 using an interest rate of 3.00%. As the market value of assets is \$19,943,359, the funded current liability percentage is 13.6%. 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 June 30		Change from Prior Year
	2017	2018	
<b>Participants in Fund Office tabulation</b>	50	52	4.0%
Less: Participants with less than one Year of Credit	1	3	N/A
<b>Active participants in valuation:</b>			
• Number	49	49	0.0%
• Average age	54.1	53.2	-0.9
• Average Years of Credit	22.8	21.8	-1.0
• Average weekly wage rate	\$1,087	\$1,088	0.1%
• Average contribution rate for coming year	10.3%	10.4%	1.0%
• Number with unknown age	0	2	N/A
• Total active vested participants	46	47	2.2%
<b>Inactive participants with rights to a pension:</b>			
• Number	695	654	-5.9%
• Average age	57.6	58.1	0.5
• Average monthly benefit	\$668	\$675	1.0%
<b>Pensioners:</b>			
• Number in pay status	809	801	-1.0%
• Average age	77.2	77.3	0.1
• Average monthly benefit	\$640	\$648	1.3%
<b>Beneficiaries:</b>			
• Number in pay status	123	120	-2.4%
• Average age	79.0	78.6	-0.4
• Average monthly benefit	\$253	\$252	-0.4%
<b>Total Participants</b>	<b>1,676</b>	<b>1,624</b>	<b>-3.1%</b>

## EXHIBIT B - PARTICIPANT POPULATION

Year Ended June 30	Active Participants	Inactive Vested Participants	Pensioners and Beneficiaries	Ratio of Non-Actives to Actives
2009	186	852	1,051	10.23
2010	119	823	1,076	15.96
2011	115	794	1,070	16.21
2012	85	803	1,043	21.72
2013	76	781	1,022	23.72
2014	65	760	995	27.00
2015	63	742	968	27.14
2016	56	740	939	29.98
2017	49	695	932	33.20
2018	49	654	921	32.14



### EXHIBIT C - EMPLOYMENT HISTORY

Year Ended June 30	Total Weeks of Contributions		Active Participants		Average Weeks of Contributions	
	Number	Percent Change	Number	Percent Change	Number	Percent Change
2009	8,885	-9.7%	186	-7.9%	48	-2.0%
2010	6,115	-31.2%	119	-36.0%	51	6.3%
2011	5,726	-6.4%	115	-3.4%	50	-2.0%
2012	4,170	-27.2%	85	-26.1%	49	-2.0%
2013	3,752	-10.0%	76	-10.6%	49	0.0%
2014	3,265	-13.0%	65	-14.5%	50	2.0%
2015	3,061	-6.2%	63	-3.1%	49	-2.0%
2016	2,696	-11.9%	56	-11.1%	48	-2.0%
2017	2,396	-11.1%	49	-12.5%	49	2.1%
2018	2,596	8.3%	49	0.0%	53	8.2%
<b>Five-year average weeks:</b>					<b>50</b>	
<b>Ten-year average weeks:</b>					<b>50</b>	

**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>
2009	917	74.6	\$583	48	46
2010	938	74.2	592	52	73
2011	929	74.8	591	33	24
2012	902	75.4	602	43	16
2013	878	75.8	615	49	25
2014	862	76.4	622	32	16
2015	834	76.9	626	40	12
2016	815	77.2	635	46	27
2017	809	77.2	640	45	39
2018	801	77.3	648	45	37

<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 and suspended pensioners who have been reinstated.

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

	Year Ended June 30, 2017	Year Ended June 30, 2018
<b>Contribution income:</b>		
• Employer contributions	\$263,156	\$288,346
• Withdrawal liability payments <sup>1</sup>	<u>65,859</u>	<u>109,765</u>
<i>Net contribution income</i>	\$329,015	\$398,111
<b>Investment income:</b>		
• Expected investment income	\$1,436,490	\$1,146,651
• Adjustment toward market value	<u>-165,005</u>	<u>-616,915</u>
<i>Net investment income</i>	1,271,485	529,736
<b>Total income available for benefits</b>	<b>\$1,600,500</b>	<b>\$927,847</b>
<b>Less benefit payments and expenses:</b>		
• Pension benefits	-\$6,910,808	-\$6,953,552
• Administrative expenses	<u>-515,890</u>	<u>-483,370</u>
<i>Total benefit payments and expenses</i>	-\$7,426,698	-\$7,436,922
<b>Change in reserve for future benefits</b>	<b>-\$5,826,198</b>	<b>-\$6,509,075</b>

<sup>1</sup> The withdrawal liability payments do not include receivable amounts that are due after June 30<sup>th</sup>.

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

Year Ended June 30	Actuarial Value Investment Return <sup>1</sup>		Market Value Investment Return		Year Ended June 30	Actuarial Value Investment Return <sup>1</sup>		Market Value Investment Return	
	Amount	Percent	Amount	Percent		Amount	Percent	Amount	Percent
1999	\$4,279,696	5.00%	\$2,409,748	2.52%	2009	-\$7,217,593	-9.91%	-\$14,392,992	-20.67%
2000	8,667,266	10.30%	10,695,383	11.61%	2010	5,259,354	9.04%	5,650,151	11.81%
2001	2,813,909	3.24%	-2,812,893	-2.91%	2011	3,151,402	5.64%	9,213,623	20.05%
2002	268,108	0.32%	-8,377,061	-9.55%	2012	-1,120,134	-2.17%	1,267,072	2.66%
2003	352,509	0.46%	2,088,386	2.86%	2013	545,899	1.24%	4,939,570	11.64%
2004	2,883,625	4.04%	11,025,284	16.01%	2014	5,040,422	13.20%	6,207,362	15.10%
2005	11,632,879	16.92%	6,032,295	8.12%	2015	5,555,346	15.31%	1,481,135	3.67%
2006	5,736,880	7.68%	6,269,142	8.39%	2016	834,172	2.39%	834,172	2.39%
2007	7,080,558	9.58%	12,411,159	16.68%	2017	1,271,485	4.43%	1,271,485	4.43%
2008	5,627,672	7.58%	-3,386,416	-4.23%	2018	529,736	2.31%	529,736	2.31%
					Total	\$63,193,191		\$53,356,341	
						<b>Most recent five-year average return:</b>	<b>8.21%</b>	<b>6.14%</b>	
						<b>Most recent ten-year average return:</b>	<b>3.12%</b>	<b>4.03%</b>	
						<b>20-year average return:</b>	<b>5.16%</b>	<b>4.31%</b>	

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

<sup>1</sup> The investment returns for 1997, 2005, and 2015 includes the effect of a change in the method for determining the actuarial value of assets.

## EXHIBIT G - ANNUAL FUNDING NOTICE FOR PLAN YEAR BEGINNING JULY 1, 2018 AND ENDING JUNE 30, 2019

	2018 Plan Year	2017 Plan Year	2016 Plan Year
Actuarial valuation date	July 1, 2018	July 1, 2017	July 1, 2016
Funded percentage	13.8%	23.1%	27.6%
Value of assets	\$19,943,359	\$26,452,434	\$32,278,632
Value of liabilities	144,707,635	114,608,952	116,953,885
Fair market value of assets as of plan year end	Not available	19,943,359	26,452,434

### Critical, Critical and Declining, or Endangered Status

The Plan was in critical status in the plan year for the following six reasons:

1. The plan had a projected Funding Standard Account funding deficiency within 4 years; and
2. The plan had a funded percentage less than 65% and a projected funding deficiency within 5 years; and
3. The plan's inactive vested liability exceeded that for actives and the plan had a projected funding deficiency within 5 years and the plan's projected contributions fall short of the plan's normal cost plus interest on unfunded liability; and
4. The plan had a funded percentage less the 65% and the present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over seven years.
5. The plan was in critical status last year and had a projected funding deficiency within 10 years; and
6. The plan was in critical status last year and had a projected insolvency within 30 years.

The plan was also in critical and declining status because:

1. The plan had a ratio of inactives to actives of at least 2 to 1 and had a projected insolvency within 20 years; and
2. The plan had a funded percentage less than 80% and had a projected insolvency within 20 years; and

The plan had a projected insolvency within 15 years.

## 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 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 JUNE 30, 2018

Charges		Credits		
1	Prior year funding deficiency	\$39,985,756	6 Prior year credit balance	\$0
2	Normal cost, including administrative expenses	639,431	7 Employer contributions	398,111
3	Total amortization charges	7,064,965	8 Total amortization credits	506,543
4	Interest to end of the year	<u>2,384,508</u>	9 Interest to end of the year	35,280
5	<i>Total charges</i>	<i>\$50,074,660</i>	10 Full-funding limitation credit	<u>0</u>
			11 <i>Total credits</i>	\$939,934
			<b>Credit balance (Funding deficiency): 11 - 5</b>	<b><u>-\$49,134,726</u></b>

## 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	\$720,022
2	Amortization of unfunded actuarial accrued liability (fresh start as of July 1, 2018)	14,200,174
3	Preliminary maximum deductible contribution: 1 + 2, with interest to the end of the plan year	\$15,367,802
4	Full-funding limitation (FFL)	129,248,827
5	Preliminary maximum deductible contribution, adjusted for FFL: lesser of 3 and 4	15,367,802
6	Current liability, projected to the end of the plan year	143,876,593
7	Actuarial value of assets, projected to the end of the plan year	12,893,844
8	Excess of 140% of current liability over projected assets at end of plan year: [140% of (6)] - (7), not less than zero	188,533,387
9	End of year minimum required contribution	60,365,157
	<b>Maximum deductible contribution: greatest of 5, 8, and 9</b>	<b>\$188,533,387</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

APRIL 18, 2019

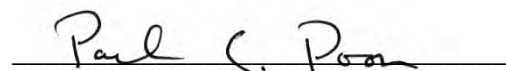
### CERTIFICATE OF ACTUARIAL VALUATION

This is to certify that Segal Consulting, a Member of The Segal Group, Inc. (“Segal”) has prepared an actuarial valuation of the San Francisco Lithographers Pension Trust as of July 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 draft 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.



Paul C. Poon, ASA, MAAA  
Vice President & Actuary  
Enrolled Actuary No. 17-06069

## 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 120 beneficiaries in pay status)		921
Participants inactive during year ended June 30, 2018 with vested rights (including 2 participants with unknown age)		654
Participants active during the year ended June 30, 2018 (including 2 participants with unknown age)		49
• Fully vested	47	
• Not vested	2	
<b>Total participants</b>		<b>1,624</b>

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

Normal cost, including administrative expenses		\$720,022
Actuarial present value of projected benefits		146,576,410
Present value of future normal costs		1,868,775
<b>Actuarial accrued liability</b>		144,707,635
• Pensioners and beneficiaries	\$69,071,007	
• Inactive participants with vested rights	66,362,657	
• Active participants	9,273,971	
Actuarial value of assets (\$19,943,359 <sup>1</sup> at market value as reported by Miller, Kaplan, Arase & Co., LLP)		\$19,943,359
Unfunded actuarial accrued liability		124,764,276

<sup>1</sup> This amount differs from the market value of \$20,183,999 from the audited financial statement because it does not include receivable withdrawal liability payments.

## 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 July 1, 2017 and as of July 1, 2018. In addition, the factors that affected the change between the two dates follow.

	Benefit Information Date	
	July 1, 2017	July 1, 2018
Actuarial present value of vested accumulated plan benefits:		
• Participants currently receiving payments	\$58,969,656	\$69,071,007
• Other vested benefits	<u>55,604,982</u>	<u>75,613,769</u>
• Total vested benefits	\$114,574,638	\$144,684,776
Actuarial present value of non-vested accumulated plan benefits	34,314	22,859
<b>Total actuarial present value of accumulated plan benefits</b>	<b>\$114,608,952</b>	<b>\$144,707,635</b>

Factors	Change in Actuarial Present Value of Accumulated Plan Benefits
Benefits accumulated, net experience gain or loss, changes in data	\$101,973
Benefits paid	-6,953,552
Changes in actuarial assumptions	31,393,653
Interest	5,556,609
<b>Total</b>	<b>\$30,098,683</b>

### EXHIBIT 3 - CURRENT LIABILITY

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

Item <sup>1</sup>	Amount
Retired participants and beneficiaries receiving payments	\$69,751,873
Inactive vested participants	67,218,673
Active participants	
• Non-vested benefits	\$22,893
• Vested benefits	<u>9,393,939</u>
• <i>Total active</i>	\$9,416,832
<b>Total</b>	<b>\$146,387,378</b>
Expected increase in current liability due to benefits accruing during the plan year	\$231,623
Expected release from current liability for the plan year	7,035,446
Expected plan disbursements for the plan year, including administrative expenses of \$500,000	7,535,446
Current value of assets	\$19,943,359
Percentage funded for Schedule MB	13.6%

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

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

Plan status (as certified on September 28, 2018, for the 2018 zone certification)	<b><i>Critical and Declining</i></b>
Scheduled progress (as certified on September 28, 2018, for the 2018 zone certification)	Yes
Actuarial value of assets for FSA	\$19,943,359
Accrued liability under unit credit cost method	144,707,635
Funded percentage for monitoring plan's status	13.8%
Reduction in unit credit accrued liability benefits since the prior valuation date resulting from the reduction in adjustable benefits	\$0
Year in which insolvency is expected	July 1, 2020 – June 30, 2021

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

Plan Year	Expected Annual Benefit Payments <sup>1</sup>
2018	\$7,031,447
2019	6,993,154
2020	7,052,826
2021	7,049,352
2022	7,172,897
2023	7,277,914
2024	7,352,632
2025	7,492,575
2026	7,658,876
2027	7,758,072

<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 June 30, 2018.

Age	Years of Credit									
	Total	1-4	5-9	10-14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 & over
30 - 34	1	–	1	–	–	–	–	–	–	–
35 - 39	4	–	2	2	–	–	–	–	–	–
40 - 44	4	–	3	–	–	1	–	–	–	–
45 - 49	2	–	–	1	–	–	1	–	–	–
50 - 54	8	–	1	2	1	1	1	2	–	–
55 - 59	18	–	2	–	1	1	7	4	2	1
60 - 64	9	–	–	–	1	–	3	1	2	2
65 - 69	1	–	–	–	–	1	–	–	–	–
Unknown	2	2	–	–	–	–	–	–	–	–
<b>Total</b>	<b>49</b>	<b>2</b>	<b>9</b>	<b>5</b>	<b>3</b>	<b>4</b>	<b>12</b>	<b>7</b>	<b>4</b>	<b>3</b>

Note: Excludes 3 participants with less than one Year of Credit.



## EXHIBIT 7 - FUNDING STANDARD ACCOUNT

The table below presents the FSA for the Plan Year ending June 30, 2019.

Charges		Credits			
1	Prior year funding deficiency	\$49,134,726	6	Prior year credit balance	\$0
2	Normal cost, including administrative expenses	720,022	7	Amortization credits	467,295
3	Amortization charges	9,219,496	8	Interest on 6 and 7	14,019
4	Interest on 1, 2 and 3	1,772,227	9	Full-funding limitation credit	0
5	<b>Total charges</b>	<b>\$60,846,471</b>	10	<b>Total credits</b>	<b>\$481,314</b>
Minimum contribution with interest required to avoid a funding deficiency: 5 - 10, not less than zero					\$60,365,157

Full Funding Limitation (FFL) and Credits	
ERISA FFL (accrued liability FFL)	\$129,248,827
RPA'94 override (90% current liability FFL)	116,595,090
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
Combined Base	07/01/2014	\$3,969,024	5	\$18,722,276
Change in Assumptions	07/01/2015	7,394	12	75,808
Experience Loss	07/01/2016	124,691	13	1,365,861
Change in Assumptions	07/01/2016	2,521,086	13	27,615,989
Experience Loss	07/01/2018	44,156	15	542,941
Change in Assumptions	07/01/2018	2,553,145	15	31,393,653
<b>Total</b>		<b>\$9,219,496</b>		<b>\$79,716,528</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
Change in Asset Method	07/01/2015	\$146,842	7	\$942,312
Experience Gain	07/01/2015	146,439	12	1,501,380
Change in Funding Method	07/01/2016	86,578	8	625,980
Change In Assumptions	07/01/2017	25,756	14	299,665
Experience Gain	07/01/2017	61,680	14	717,641
<b>Total</b>		<b>\$467,295</b>		<b>\$4,086,978</b>

## EXHIBIT 8 - STATEMENT OF ACTUARIAL ASSUMPTIONS/METHODS

### (SCHEDULE MB, LINE 6)

#### Mortality Rates

*Preretirement:* RP-2014 Blue Collar Employee Mortality Table with generational projection using Scale MP2016 from 2014.

*Postretirement:* RP-2014 Blue Collar Healthy Annuitant Mortality Table with generational projection using Scale MP2016 from 2014.

The underlying tables with generational projection to the ages of 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 future mortality improvement between the measurement date and those 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 assumption over the most recent 5 years.

#### Termination Rates

Age	Rate (%)			
	Males		Females	
	Mortality*	Withdrawal**	Mortality*	Withdrawal**
20	0.05	9.94	0.02	11.94
25	0.06	9.67	0.02	11.62
30	0.06	9.30	0.02	11.21
35	0.07	8.71	0.03	10.55
40	0.08	7.75	0.04	9.40
45	0.13	6.35	0.07	7.54
50	0.22	4.22	0.12	4.83
55	0.36	1.55	0.19	1.73
60	0.61	0.15	0.27	0.16

\* The preretirement mortality rates are shown for the base table.

\*\* Withdrawal rates do not apply at retirement eligibility.

The termination rates were based on historical and current demographic data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of terminations and the projected number based on the assumption over the most recent 5 years.

**Retirement Rates**

Age	Retirement Rates*
55 – 59	3%
60	25
61	15
62	35
63 – 64	20
65 – 66	35
67	100

*\*For active participants covered under the Default Schedule, the retirement rate from ages 55-64 is 0%.*

The retirement rates were based on historical and current data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of retirements and the projected number based on the assumption over the most recent 5 years.

**Description of Weighted Average Retirement Age**

Age 65.8, 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 this actuarial valuation.

**Retirement Age for Inactive Vested Participants**

65

The retirement age for inactive vested participants was based on historical and current data, adjusted to reflect plan design, estimated future experience and professional judgment. As part of the analysis, the ages of new retirees from inactive vested status were reviewed.

**Future Service Accruals**

49 weeks per year

The future service accruals were based on historical and current data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, a comparison was made between the assumed and the actual benefit accruals over the most recent 5 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 10 weeks worked in the most recent plan year and who have accumulated at least one Year of Credit, excluding those who have retired as of the valuation date.

<b>Exclusion of Inactive Vested Participants</b>	Inactive participants over age 75 are excluded from the valuation (14 excluded in this valuation). The exclusion of inactive vested participants over age 75 was based on historical and current data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, the ages of new retirees from inactive vested status were reviewed.
<b>Percent Married</b>	70%
<b>Age of Spouse</b>	Females 4 years younger than males.
<b>Benefit Election</b>	For future retirements, married participants are assumed to elect the 75% Joint and Survivor Option ("QOSA") and non-married participants are assumed to elect the Single Life Annuity. The benefit elections were based on historical and current demographic data, adjusted to reflect the plan design, estimated future experience and professional judgment.
<b>Delayed Retirement Factors</b>	Inactive vested participants who are assumed to commence receipt of benefits after attaining normal retirement age qualify for delayed retirement increases.
<b>Net Investment Return</b>	3.00% The net investment return assumption is an 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 Segal Marco Advisors, as well as the Plan's target asset allocation.
<b>Annual Administrative Expenses</b>	\$500,000, payable monthly (equivalent to \$492,076 payable at the beginning of the year) The annual administrative expenses were based on historical and current data, adjusted to reflect estimated future experience and professional judgment.
<b>Actuarial Value of Assets</b>	At 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</i> : 3.00%, 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: RP-2014 employee and annuitant mortality tables, adjusted backward to the base year (2006) using scale MP-2014, projected forward generationally using scale MP-2016
<b>Estimated Rate of Investment Return</b>	<i>On actuarial value of assets (Schedule MB, line 6g)</i> : 2.3%, for the Plan Year ending June 30, 2018 <i>On current (market) value of assets (Schedule MB, line 6h)</i> : 2.3%, for the Plan Year ending June 30, 2018

**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 Funding Standard Account is therefore assumed to be equivalent to a January 1st contribution date.

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

For purposes of determining current liability, the current liability interest rate was changed from 3.04% to 3.00% 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.

Based on past experience and future expectations, the following actuarial assumption was changed:

- Net investment return, previously 5.00%
-



## 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>	July 1 through June 30
<b>Pension Credit Year</b>	July 1 through June 30
<b>Plan Status</b>	Ongoing plan
<b>Normal Retirement Pension</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> 65</li> <li>• <i>Years of Credit Requirement:</i> 5 years</li> <li>• <i>Amount:</i> 0.2083% of each year's Compensation through June 30, 1996; plus 3.472% of contributions made from July 1, 1996 to June 30, 2002; 2.97% of contributions made from July 1, 2002 to June 30, 2003; 1.50% of contributions made from July 1, 2003 to June 30, 2009; and 1.00% of contributions received thereafter.</li> <li>• Effective July 1, 2009, benefits are earned for contributions up to 7.00% of compensation.</li> </ul>
<b>Early Retirement Pension</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> 55</li> <li>• <i>Years of Credit Requirement:</i> 10 years</li> <li>• <i>Amount:</i> For participants covered under the Preferred Schedule of the Rehabilitation Plan, the Accrued Normal Retirement Pension is reduced from Normal Retirement Age, based on the GAM 94 (50%/50%) table and 7% interest rate. The Early Retirement Pension is not available for participants under the Default Schedule or to those with a One-Year Break in Service on June 30, 2009.</li> </ul>
<b>Vesting</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Years of Credit Requirement:</i> 5 years</li> <li>• <i>Amount:</i> Normal Retirement Pension amount accrued, payable commencing at Normal Retirement Age or, if eligible, on a reduced basis as early as age 55.</li> </ul>
<b>Normal Retirement Age</b>	<ul style="list-style-type: none"> <li>• The later of (a) the date the participant attains age 65 and (b) the earlier of the 5<sup>th</sup> anniversary of participation or the date the participant accrues 5 Years of Credit.</li> </ul>

<b>Spousal Annuity</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Years of Credit Requirement:</i> 5 years</li> <li>• <i>Amount:</i> 50% of the benefit that the participant would have received had they retired, the day before death, on a Joint and Survivor pension. If the participant was not yet eligible to retire at the time of death, the commencement of the spouse's benefit is deferred until the date he or she would have been eligible, based on service earned up to the time of death.</li> </ul>
<b>Joint and Survivor Pension</b>	<ul style="list-style-type: none"> <li>• Retirement benefits for married employees are paid in the form of a 50% joint and survivor annuity unless this form is rejected by the participant and spouse. The benefit amount payable is reduced to reflect the joint-and-survivor coverage. If this type of pension is rejected, or if the participant is unmarried, benefits are payable for the life of the participant (with a minimum guarantee of 120 monthly payments, provided this feature has not been eliminated pursuant to the Rehabilitation Plan) without reduction or in any other available optional form elected in an actuarially equivalent amount.</li> </ul>
<b>Optional Forms of Benefits</b>	<ul style="list-style-type: none"> <li>• Marital Annuity ("QJSA"- 50% joint and survivor annuity)</li> <li>• 75% joint and survivor annuity ("QOSA")</li> <li>• Single Life annuity (with 120-month guarantee provided only if it has not been eliminated pursuant to the Rehabilitation Plan)</li> </ul>
<b>Compensation</b>	<ul style="list-style-type: none"> <li>• Basic Weekly Wage Rate (annualized).</li> </ul>
<b>Week of Service</b>	<ul style="list-style-type: none"> <li>• Any weekly pay period for which an employee is entitled to payment for actual performance of duties.</li> </ul>
<b>Break-in-Service Rules</b>	<ul style="list-style-type: none"> <li>• <i>One-Year Break:</i> Commencing July 1, 1986, an employee incurs a One-Year Break-in-Service if the participant fails to earn at least 10 Weeks of Service in a Plan Year.</li> <li>• <i>Permanent Break:</i> A non-vested participant incurs a Permanent Break-in-Service if the number of consecutive One-Year Breaks-in-Service (including at least one after June 30, 1986) is at least 5 and equals or exceeds the number of full Years of Credited Service which the participant had previously accumulated. At this time all accumulated benefits are canceled.</li> </ul>
<b>Participation Rules</b>	<ul style="list-style-type: none"> <li>• <i>Participation:</i> An employee becomes a Participant at the beginning of his first week of service following a 52-week period containing 20 weeks of service.</li> <li>• <i>Termination of Participation:</i> A Participant who incurs a One-Year Break in Service ceases to be a Participant as of the last day of the Plan Year which constituted the One-Year Break-in-Service, unless the Participant has retired or attained vested rights.</li> </ul>
<b>Past Service Credit</b>	<ul style="list-style-type: none"> <li>• Up to 13 years for Covered Service before effective date of the Plan.</li> </ul>
<b>Future Service Credit</b>	<ul style="list-style-type: none"> <li>• A participant who earns at least 20 Weeks of Service in a Plan Year receives a Year of Future Service Credit.</li> </ul>
<b>Years of Credit</b>	<ul style="list-style-type: none"> <li>• Past and Future Service Credits.</li> </ul>

<b>Schedule of Contribution Rates</b>	<ul style="list-style-type: none"> <li>As of July 1, 2018, the average contribution rate was 10.4% of compensation, of which 7.00% applies towards benefit accruals. The weekly wage rate varied from \$514 to \$2,500 with an average of \$1,088.</li> </ul>
<b>Rehabilitation Plan Schedules</b>	<ul style="list-style-type: none"> <li>The Rehabilitation Plan includes the following two schedules of plan changes: <ul style="list-style-type: none"> <li>For participants covered under the Default Schedule, <ul style="list-style-type: none"> <li>the Early Retirement Benefit was eliminated,</li> <li>the subsidy on the Qualified Joint and Survivor Annuities was eliminated,</li> <li>the 120-month guarantee on the Single Life Annuity was eliminated,</li> <li>the Pre-Retirement Death Benefit was eliminated, and</li> <li>the Supplemental Early Retirement Pension was eliminated.</li> </ul> </li> <li>For participants covered under the Preferred Schedule, <ul style="list-style-type: none"> <li>the subsidy on the Early Retirement Benefit was eliminated,</li> <li>the subsidy on the Qualified Joint and Survivor Annuities was eliminated,</li> <li>the 120-month guarantee on the Single Life Annuity was eliminated,</li> <li>the Pre-Retirement Death Benefit was eliminated, and</li> <li>the Supplemental Early Retirement Benefit is limited to \$600 per month and is not available for those who retire after June 30, 2013.</li> </ul> </li> </ul> </li> </ul>
<b>Plan Amendment</b>	<ul style="list-style-type: none"> <li>The valuation reflects Rehabilitation Plan schedules that have been renegotiated into CBAs by the valuation date. There were no changes since the prior year.</li> </ul>

## Section 5: General Background

A summary of major developments in connection with the Fund's background and position is provided in this section.

### CHANGES IN CONTRIBUTION RATES AND BENEFIT AMOUNTS

An outline of the major developments in connection with the Plan's background and position is given below:

Effective Date		Maximum Credited Contribution Rate (% of wages)	Benefit Crediting Rate		Adjustment to Existing Retirees
Year	Month		All Service to 6/30/1996 (% of wages)	After 7/1/1996 (% of Contributions)	
1974	November	6%			
1979	May	7%	.1022%		
1981	September		.1226		Full
1984	July		.1533		Full
1985	July		.1640		Full
1986	July		.1722		Full
1988	July		.1782		Full
1990	July				(1)
1991	July				+5%
1996	July				(2)
	October		.2083		+10% <sup>(3)</sup>
	December				+2% <sup>(4)</sup>
	<sup>(5)</sup>			3.472% / 2.97% <sup>(6)</sup>	\$500 <sup>(7)</sup>
1997	July			3.472% / 2.97% <sup>(8)</sup>	<sup>(7)</sup>
1998	July				\$300 <sup>(7)</sup>
1999	July				\$500 <sup>(7)</sup>
2001	December				\$500 <sup>(7)</sup>
2003	July			3.472%/2.97%/1.5% <sup>(9)</sup>	
2009	July			3.472%/2.97%/1.5%/1.0% <sup>(10)</sup>	

**Footnotes:**

- (1) \$4 per month for each full year since retirement.
- (2) Supplemental checks granted for the current benefit amount and \$500.
- (3) This factor applies to retirements effective before July 1, 1976.
- (4) This factor applies to retirements effective before December 1, 1996.
- (5) Amendment made also retroactive to October 1, 1996.
- (6) The 3.472% factor applies to contributions from July 1, 1996 to June 30, 1997 and 2.97% factor applies to contributions after July 1, 1997.
- (7) Supplemental check granted.
- (8) The 3.472% factor applies to contributions from July 1, 1996 to June 30, 2002 and 2.97% factor applies to contributions after July 1, 2002.
- (9) The 3.472% factor applies to contributions from July 1, 1996 to June 30, 2002, the 2.97% factor applies to contributions from July 1, 2002 to June 30, 2003, and the 1.5% factor applies to contributions after July 1, 2003.
- (10) The 3.472% factor applies to contributions from July 1, 1996 to June 30, 2002, the 2.97% factor applies to contributions from July 1, 2002 to June 30, 2003, the 1.5% factor applies to contributions from July 1, 2003 to June 30, 2009, and the 1.0% factor applies to contributions after July 1, 2009.

## OTHER DEVELOPMENTS

Date	Event
March 28, 1950:	Plan was established.
July 1, 1978:	Funding Standard Account was established.
August 1, 1981:	Board adopted an immunized bond portfolio program with at least a 13.5% return between August 1, 1981 and December 31, 1992.
July 1, 1985:	Asset valuation method was changed to amortized cost basis for fixed income investments.
May 1, 1988:	Vesting requirement dropped to 5 years.
July 1, 1994:	Pension eligibility for the Supplemental Early Retirement benefit enhanced to require 26 weeks out of 260 weeks of Covered Service for participants with 30 years of credited service.
July 1, 1997:	Asset valuation method changed to method that gradually adjusts to market value.
July 1, 2005:	Asset valuation method was changed to recognize market value gains and losses, after July 1, 2005, over a five-year period.
July 1, 2008:	Plan certified as being in critical status (“Red Zone”).
May 21, 2009:	Trustees adopt a Rehabilitation Plan to forestall plan insolvency. The Rehabilitation Plan includes two schedules (“default” and “preferred”) of supplemental off-benefit contribution increases and benefit reductions.
July 1, 2009:	Benefits for current inactive vested participants no longer include early retirement, subsidized joint-and-survivor, and 120-month guarantee, pursuant to the Rehabilitation Plan.
July 1, 2014:	All outstanding amortization bases were combined and offset pursuant to Internal Revenue Code §431(b)(5)(B).
July 1, 2015:	Most recent favorable determination letter. Asset valuation method changed to market value. Plan certified as being in critical and declining status.
July 1, 2016	The actuarial cost method changed to Unit Credit.

5576614v2/00679.001

**San Francisco Lithographers Pension Trust**

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



100 Montgomery Street Suite 500 San Francisco, CA 94104-4308  
T 415.263.8200 www.segalco.com

*September 28, 2018*

*Board of Trustees  
San Francisco Lithographers Pension Trust  
Alameda, California*

*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 July 1, 2018 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 July 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 Paul C. Poon, ASA, MAAA, Enrolled Actuary.*

*As of July 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, and 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.*



*Board of Trustees  
San Francisco Lithographers Pension Trust  
September 28, 2018  
Page 2*

*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 updating the Rehabilitation Plan.*

*Sincerely,  
Segal Consulting, a Member of the Segal Group*

*Harold S. Cooper*  
By: Harold S. Cooper FSA, MAAA, EA  
*Senior Vice President & Actuary*

*Paul C. Poon*  
Paul C. Poon, ASA, MAAA, EA  
*Vice President & Actuary*

*TAS/PXP:bqb*

*cc: Patricia Davis, Esq.  
Catherine Gardner, CPA  
Ana P. Hallmon, Esq  
William A. Sokol, Esq..  
Scott Wall*



*September 28, 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 July 1, 2018 for the following plan:*

*Name of Plan: San Francisco Lithographers Pension Trust  
Plan number: EIN 94-6052228 / PN 001  
Plan sponsor: Board of Trustees, San Francisco Lithographers Pension Trust  
Address: 1600 Harbor Bay Parkway, Suite 200, Alameda, California 94502-3035  
Phone number: (415) 546.7800*

*As of July 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  
100 Montgomery Street, Suite 500  
San Francisco, CA 94104-4308  
Phone number: 415.263.8200*

*Sincerely,*

*Paul C. Poon, ASA, MAAA  
Vice President & Actuary  
Enrolled Actuary No. 17-06069*

**September 28, 2018**

**Illustration Supporting Actuarial Certification of Status (Schedule MB, line 4b)  
ACTUARIAL STATUS CERTIFICATION AS OF JULY 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 San Francisco Lithographers Pension Trust as of July 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.

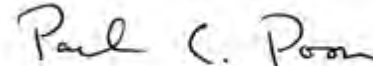
The measurements shown in this actuarial certification may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic 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; differences in statutory interpretation and changes in plan provisions or applicable law.

This certification is based on the July 1, 2017 actuarial valuation, dated May 14, 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) offer my best estimate of anticipated experience under the Plan.



---

Paul C. Poon, ASA, MAAA  
Vice President & Actuary  
Enrolled Actuary No. 17-06069

**Actuarial Status Certification as of July 1, 2018 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

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EIN 94-6052228 / PN 001

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**Certificate Contents**

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<b>EXHIBIT I</b>	Status Determination as of July 1, 2018
<b>EXHIBIT II</b>	Summary of Actuarial Valuation Projections
<b>EXHIBIT III</b>	Funding Standard Account Projections
<b>EXHIBIT IV</b>	Funding Standard Account – Projected Bases Assumed Established After July 1, 2017
<b>EXHIBIT V</b>	Solvency Projection
<b>EXHIBIT VI</b>	Actuarial Assumptions and Methodology
<b>EXHIBIT VII</b>	Documentation Regarding Scheduled Progress Under Rehabilitation Plan

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**Actuarial Status Certification as of July 1, 2018 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

EIN 94-6052228 / PN 001

**EXHIBIT I**

**Status Determination as of July 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 (ignoring any amortization extensions)? .....	Yes	Yes
	C2. (a) A funding deficiency is projected in five years (ignoring any amortization extensions),.....	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 (ignoring any amortization extensions),.....	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? .....	Yes	Yes
	C5. The present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over five years? .....	Yes	Yes
<b>II. Emergence test:</b>			
	C6. (a) Was in critical status for the immediately preceding plan year, .....	Yes	
	(b) AND EITHER a funding deficiency is projected for the plan year or any of the next nine plan years, without regard to the use of the shortfall method but taking into account any extension of amortization periods under ERISA Section 304(d)(2) or ERISA Section 304 as in effect prior to PPA'06, .....	Yes	
	(c) OR insolvency is projected for the current year or any of the 30 succeeding plan years? .....	Yes	
	<b>Plan did NOT emerge?</b> .....		Yes
	<b>III. In Critical Status? (If C1-C6 is Yes, then Yes) .....</b>		Yes

Actuarial Status Certification as of July 1, 2018 under IRC Section 432 for the San Francisco Lithographers Pension Trust

EIN 94-6052228 / PN 001

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

Status	Condition	Component Result	Final Result
<b>IV. Determination of critical and declining status:</b>			
C7. (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 July 1, 2018 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

EIN 94-6052228 / PN 001

**EXHIBIT I (continued)  
Status Determination as of July 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%? .....	N/A	No
E2. (a)	Is not in critical status,.....	No	
(b)	AND a funding deficiency is projected in seven years? .....	N/A	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 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.

**Actuarial Status Certification as of July 1, 2018 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

EIN 94-6052228 / PN 001

**EXHIBIT II  
Summary of Actuarial Valuation Projections**

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

**I. Financial Information**

1. Market value of assets				\$19,943,359
2. Actuarial value of assets				19,943,359
3. Reasonably anticipated contributions				
a. Upcoming year				358,952
b. Present value for the next five years				1,663,640
c. Present value for the next seven years				2,271,028
4. Projected benefit payments				7,038,689
5. Projected administrative expenses (beginning of year)				501,617

**II. Liabilities**

1. Present value of vested benefits for active participants				7,137,668
2. Present value of vested benefits for non-active participants				106,199,240
3. Total unit credit accrued liability				113,372,055
4. Present value of payments				
a. Next five years	<b>Benefit Payments</b>		<b>Administrative Expenses</b>	<b>Total</b>
b. Next seven years	\$31,363,931		\$2,414,344	\$33,778,275
	42,274,228		3,316,924	45,591,152
5. Unit credit normal cost plus expenses				655,411
6. Ratio of inactive participants to active participants				33.2

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

17.5%

**IV. Standard Account**

1. Credit Balance as of the end of prior year				(\$49,134,726)
2. Years to projected funding deficiency				1

**V. Years to Projected Insolvency**

3



**Actuarial Status Certification as of July 1, 2018 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

EIN 94-6052228 / PN 001

**EXHIBIT III  
Funding Standard Account Projections**

The table below presents the Funding Standard Account Projections for the Plan Years beginning July 1.

	<b>Year Beginning July 1,</b>					
	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
1. Credit balance (BOY)	(\$39,985,756)	(\$49,134,726)	(\$58,855,965)	(\$69,075,571)	(\$79,818,838)	(\$91,112,324)
2. Interest on (1)	(1,999,288)	(2,456,736)	(2,942,798)	(3,453,779)	(3,990,942)	(4,555,616)
3. Normal cost	152,424	153,793	158,407	163,159	168,054	173,096
4. Administrative expenses	487,007	501,617	516,666	532,166	548,131	564,575
5. Net amortization charges	6,558,422	6,613,569	6,613,566	6,613,569	6,613,567	6,613,568
6. Interest on (3), (4) and (5)	359,893	363,450	364,432	365,445	366,488	367,563
7. Expected contributions <sup>1</sup>	398,111	358,952	367,086	375,464	384,094	392,982
8. Interest on (7)	9,953	8,974	9,177	9,387	9,602	9,825
9. Full-funding limit credit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
10. Credit balance (EOY): (1) + (2) – (3) – (4) – (5) – (6) + (7) + (8) + (9)	(\$49,134,726)	(\$58,855,965)	(\$69,075,571)	(\$79,818,838)	(\$91,112,324)	(\$102,983,935)
	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	
1. Credit balance (BOY)	(\$102,983,935)	(\$111,138,605)	(\$119,715,277)	(\$128,898,326)	(\$138,652,520)	
2. Interest on (1)	(5,149,197)	(5,556,930)	(5,985,764)	(6,444,916)	(6,932,626)	
3. Normal cost	178,289	183,638	189,147	194,821	200,666	
4. Administrative expenses	581,512	598,957	616,926	635,434	654,497	
5. Net amortization charges	2,495,117	2,495,117	2,650,210	2,742,454	2,742,450	
6. Interest on (3), (4) and (5)	162,745	163,886	172,814	178,635	179,881	
7. Expected contributions	402,137	411,567	421,280	431,284	441,588	
8. Interest on (7)	10,053	10,289	10,532	10,782	11,040	
9. Full-funding limit credit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
10. Credit balance (EOY): (1) + (2) – (3) – (4) – (5) – (6) + (7) + (8) + (9)	(\$111,138,605)	(\$119,715,277)	(\$128,898,326)	(\$138,652,520)	(\$148,910,012)	

<sup>1</sup> Includes estimated withdrawal liability payments.

Actuarial Status Certification as of July 1, 2018 under IRC Section 432 for the San Francisco Lithographers Pension Trust

EIN 94-6052228 / PN 001

**EXHIBIT IV**

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

**Schedule of Funding Standard Account Bases**

Type of Base	Date Established	Base Established	Amortization Period	Amortization Payment
Experience (Gain)/Loss	7/ 1/2018	\$601,012	15	\$55,146

**Actuarial Status Certification as of July 1, 2018 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

EIN 94-6052228 / PN 001

**EXHIBIT V  
Solvency Projection**

The table below presents the projected Market Value of Assets for the Plan Years beginning July 1, 2018 through 2020:

	<b>Year Beginning July 1,</b>			
	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
1. Market Value at beginning of year	\$26,452,434	\$19,943,359	\$13,567,098	\$6,895,556
2. Contributions <sup>1</sup>	398,111	358,952	367,086	375,464
3. Benefit payments <sup>2</sup>	6,953,552	7,038,689	7,008,450	7,069,713
4. Administrative expenses	483,371	515,000	530,450	546,364
5. Interest earnings	<u>529,737</u>	<u>818,476</u>	<u>500,272</u>	<u>165,011</u>
6. Market Value at end of year: (1)+(2)-(3)-(4)+(5)	\$19,943,359	\$13,567,098	\$6,895,556	\$0
7. Available resources: (1)+(2)-(4)+(5)	\$26,896,911	\$20,605,787	\$13,904,006	\$6,889,667

<sup>1</sup> Includes estimated withdrawal liability payments

<sup>2</sup> The projected benefit payments shown above are based on a closed group, i.e., not reflecting new participants entering the plan. If such new entrants were reflected, in our judgment, this would not change the year of projected insolvency, under the assumptions used. This projection is not intended to be used for any purpose other than this certification.

**EXHIBIT VI**

**Actuarial Assumptions and Methodology**

The actuarial assumptions and plan of benefits are as used in the July 1, 2017 actuarial valuation certificate, dated May 14, 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.

**Contributions:**

For participants covered under the Default Schedule of the Rehabilitation Plan, the contribution rate is 10% of Basic Weekly Wage Rates.

For participants covered under the Alternative Schedule of the Rehabilitation Plan, the contribution rate is 15% of Basic Weekly Wage Rates.

Contributions in excess of 7% of wages shall not be recognized in determining participants' benefit accruals.

The projected contributions also reflect the following anticipated withdrawal liability payments:

<b>Plan Year Ending 6/30</b>	<b>Amount</b>
2019 through 2022	\$87,812

**Asset Information:**

The financial information as of June 30, 2018 was based on an unaudited financial statement provided by the Fund Administrator.

For projections after June 30, 2018, the assumed administrative expenses were increased by 3% per year and the benefit payments were projected based on the July 1, 2017 actuarial valuation. The projected net investment return was assumed to be 5.0% of the average market value of assets for the 2018 - 2020 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.

**Actuarial Status Certification as of July 1, 2018 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

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EIN 94-6052228 / PN 001

**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 is assumed to be 48 during the projection period. On the average, contributions will be made for each active for 49 weeks each year.

**Future Normal Costs:**

The Unit Credit Normal Cost for 2017-2018 is assumed to decline, as a result of the contraction to 48 actives from the above projected industry activity. Normal Costs are also expected to increase by 3% per year to reflect higher salaries used for benefit contributions.

**EXHIBIT VII**

**Documentation Regarding Scheduled Progress Under Rehabilitation Plan**

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Based on the Rehabilitation Plan in effect as of June 30, 2018, the applicable standard for July 1, 2018, was that for no projected insolvency until after June 30, 2019, using the plan provisions, assumptions/methods, and contribution levels that form the basis of this certification.

Our projections based on this certification indicate the plan will become insolvent during the 2020-2021 Plan Year. Therefore, the annual standard is met.

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San Francisco Lithographers Pension Trust

**Actuarial Valuation and Review**

As of July 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.

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**Segal**



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April 24, 2020

Board of Trustees  
San Francisco Lithographers Pension Trust  
Alameda, CA

Dear Trustees:

We are pleased to submit the Actuarial Valuation and Review as of July 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 Kate Berry. That assistance is gratefully acknowledged. The actuarial calculations were completed under the supervision of Paul C. Poon, ASA, 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:   
\_\_\_\_\_  
Harold S. Cooper, FSA, MAAA, EA  
Senior Vice President & Actuary

TAS/gxk

cc: Kate Berry  
Kate Buffo  
Sun Chang, Esq.  
Patricia Davis, Esq.  
Catherine Gardner, CPA





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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. This cost measure is not included in the valuation because of the plan's projected insolvency.



## **Withdrawal Liability**

ERISA provides for assessment of withdrawal liability to employers who withdraw from a multiemployer plan based on unfunded vested benefit liabilities. A separate report is available.

## 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:



### **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 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.

# 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>	49 654 921	52 628 896
<b>Assets <sup>1</sup>:</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>	\$19,943,359 19,943,359 100.0%	\$13,429,778 13,429,778 100.0%
<b>Cash Flow:</b>	<ul style="list-style-type: none"> <li>Projected employer contributions (excluding withdrawal liability payments)</li> <li>Actual contributions</li> <li>Projected benefit payments and expenses</li> <li>Insolvency projected in Plan Year ending June 30</li> </ul>	\$266,089 374,020 <sup>2</sup> 7,535,446 2021	\$266,192 - - 7,558,416 2021 <sup>3</sup>
<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 deficiency projected in Plan Year beginning</li> </ul>	\$60,365,157 188,533,387 13.8% 2018	\$71,133,290 189,154,112 9.8% 2019
<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>	\$720,022 144,707,635 \$124,764,276	\$731,783 137,281,382 \$123,851,604

<sup>1</sup> Excludes withdrawal liability payments due after the valuation date.

<sup>2</sup> Includes withdrawal liability payments of \$87,812.

<sup>3</sup> Insolvency may occur as late as in July 2021 depending on actual cash flows for the 2020-2021 Plan year.

## Section 1: Actuarial Valuation Summary

### Comparison of funded percentages

	Funded Percentages as of July 1		2019	
	2018	2019	Liabilities	Assets
1. Present Value of Future Benefits	13.6%	9.7%	\$139,036,485	\$13,429,778
2. Actuarial Accrued Liability	13.8%	9.8%	137,281,382	13,429,778
3. PPA'06 Liability and Annual Funding Notice	13.8%	9.8%	137,281,382	13,429,778
4. Accumulated Benefits Liability	13.8%	9.8%	137,281,382	13,429,778
5. Current Liability	13.6%	9.5%	142,064,795	13,429,778

Notes:

1. The value of benefits earned through the valuation date (accrued benefits) plus the value of benefits projected to be earned in the future for current participants. Used to develop the actuarial accrued liability, based on the funding investment return assumption of 3.00% and the actuarial (market) value of assets.
2. The portion of the present value of future benefits allocated by the actuarial cost method to years prior to the valuation date. Used in determining the Funding Standard Account, based on the funding investment return assumption of 3.00% and the actuarial (market) value of assets.
3. The present value of benefits earned through the valuation date (accrued benefits) defined by PPA'06, based on the funding investment return assumption of 3.00% and compared to the actuarial (market) value of assets.
4. The present value of accrued benefits for disclosure in the audited financial statements, based on the funding investment return assumption of 3.00%, and compared to the market value of assets.
5. The present value of accrued benefits based on a government-prescribed mortality table and investment return assumption of 3.00% for 2018 and 3.07% 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.

## Section 1: Actuarial Valuation Summary

This July 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 actuarial and market value of plan assets was 2.62% for the 2018-2019 plan year.
2. Based on past experience and future expectations, the mortality assumptions and retirement rates were updated. These changes did not affect the plan's projected insolvency year.
3. The 2019 certification, issued on September 27, 2019, based on the liabilities calculated in the 2018 actuarial valuation, projected to July 1, 2019, and estimated asset information as of July 1, 2019, classified the Plan as critical and declining (in the Red Zone) because there was a projected deficiency in the FSA within one year and a projected insolvency within 15 years. This projection was based on the Trustees' industry activity assumption of 48 active participants each working, on average, 49 weeks per year.
4. The Trustees have adopted a Rehabilitation Plan that is designed to forestall plan insolvency. This valuation recognizes the benefit reductions and contribution increases under the Rehabilitation Plan schedules, for changes that have been renegotiated or imposed by the valuation date. As a result of collective bargaining, 92% of the active participants are covered under the Default Schedule and 8% are covered under the Preferred Schedule.



## Section 1: Actuarial Valuation Summary

### B. Funded percentage and Funding Standard Account

1. Based on this July 1, 2019 actuarial valuation, the funded percentage that will be reported on the 2019 Annual Funding Notice is 9.8%.
2. The funding deficiency in the FSA as of June 30, 2019 was \$59,985,527, an increase of \$10,850,801 from the prior year.





## Section 1: Actuarial Valuation Summary

### C. Solvency projections

1. Based on this valuation, the current value of assets plus future investment earnings and contribution income are not projected to cover benefit payments and administrative expenses beyond 1 year, with a projected insolvency during the 2020-2021 Plan Year. However, depending on the actual cash flows for 2020-2021, plan assets may be sufficient to cover full benefits for 2020-2021 with the insolvency occurring as late as in July 2021. Section 2 includes a projection of the market value of assets until the expected insolvency year. If requested by the Trustees, we can perform additional projections of the financial status of the Plan.



## Section 1: Actuarial Valuation Summary

### D. Funding concerns and risk

1. The projected inability to pay future benefits must continue to be monitored.
2. The actions already taken to address this issue include the Trustees' Rehabilitation Plan that was updated to forestall plan insolvency.
3. As the Plan heads towards insolvency, we will assist the Trustees in obtaining PBGC assistance for the Plan.
4. The actuarial valuation results are dependent on a single set of assumptions. Typically, there is a risk that emerging results may differ significantly as actual experience proves to be different from the current assumptions. However, due to the Plan's projected insolvency and asset allocation, the Plan has limited risk.

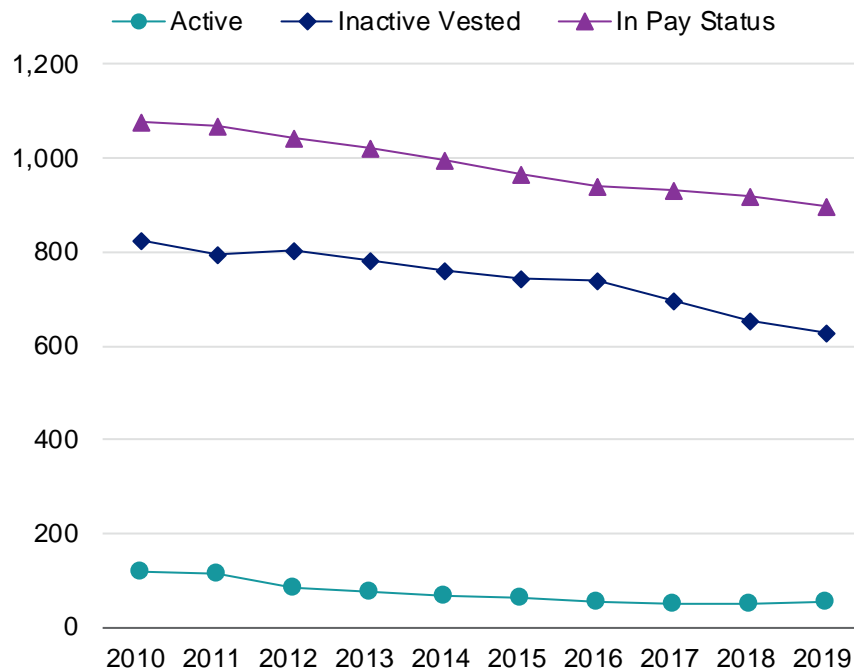


# Section 2: Actuarial Valuation Results

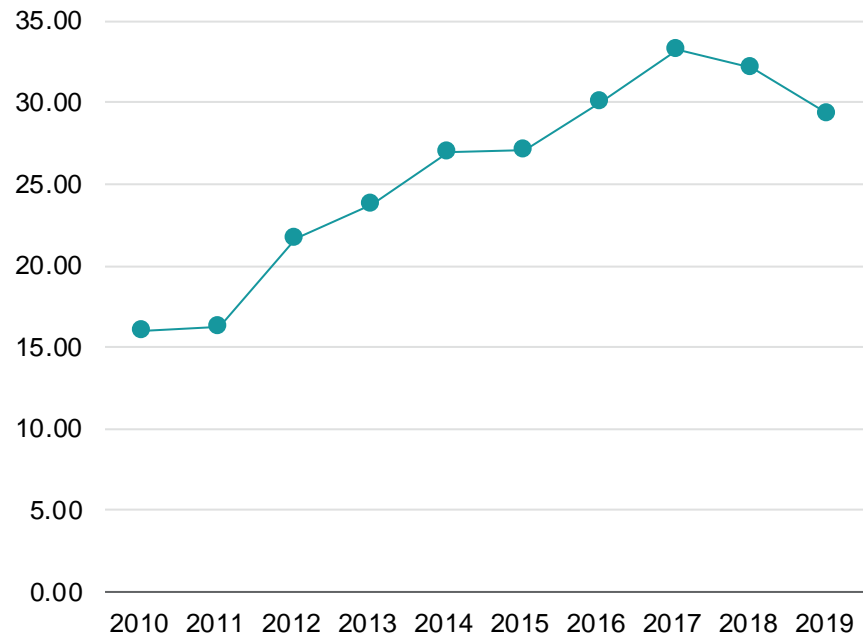
## Participant information

- The Actuarial Valuation is based on demographic data as of June 30, 2019.
- There are 1,576 total participants in the current valuation, compared to 1,624 in the prior valuation.
- The ratio of non-actives to actives has decreased to 29.3 from 32.1 in the prior year.
- More details on the historical information are included in Section 3, Exhibit A.

Population as of  
June 30



Ratio of Non-Actives to Actives  
as of June 30

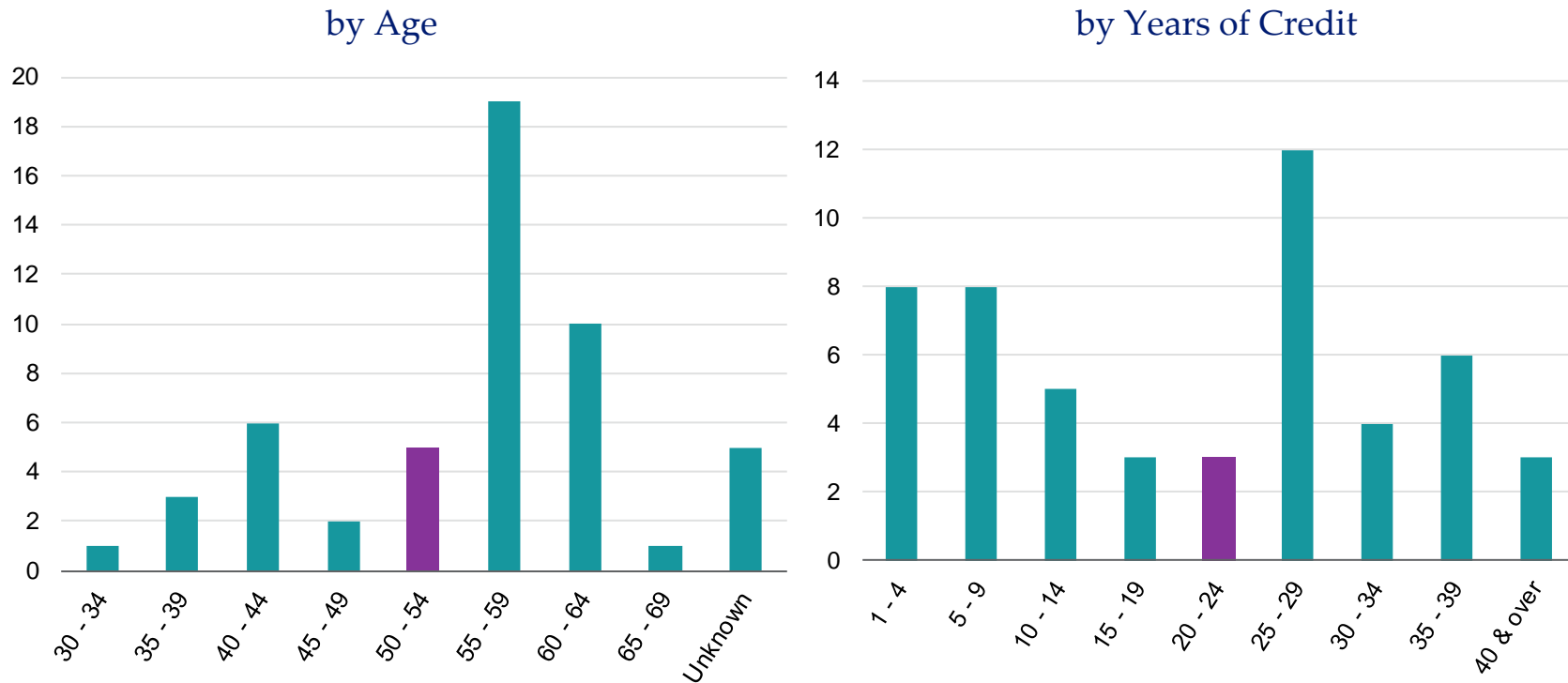


## Section 2: Actuarial Valuation Results

### Active participants

- There are 52 active participants this year, an increase of 6.1% compared to 49 in the prior year.
- The age and service distribution is included in Section 4, Exhibit 6.

Distribution of Active Participants as of June 30, 2019



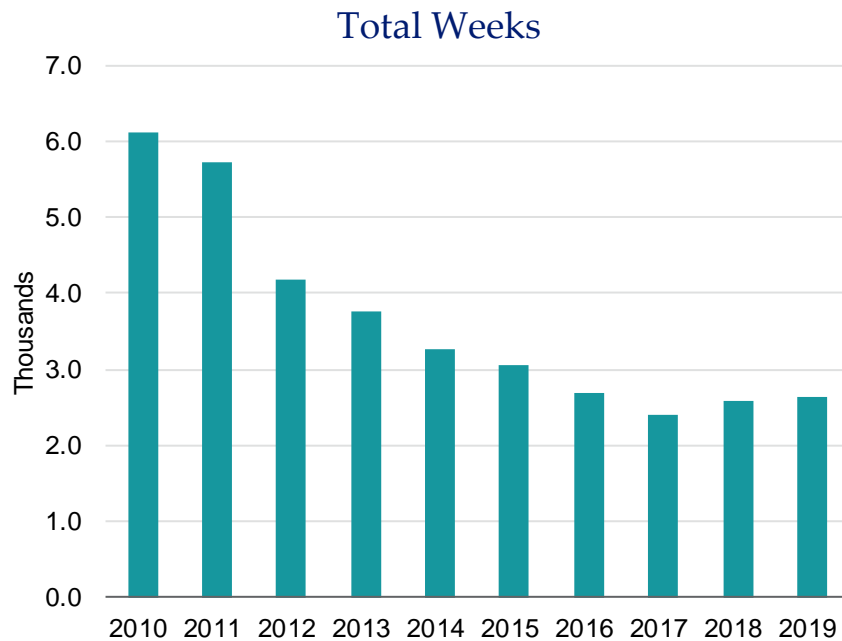
Average age	52.4
Prior year average age	<u>53.2</u>
Difference	-0.8

Average Years of Credit	20.2
Prior year average Years of Credit	<u>21.8</u>
Difference	-1.6

## Section 2: Actuarial Valuation Results

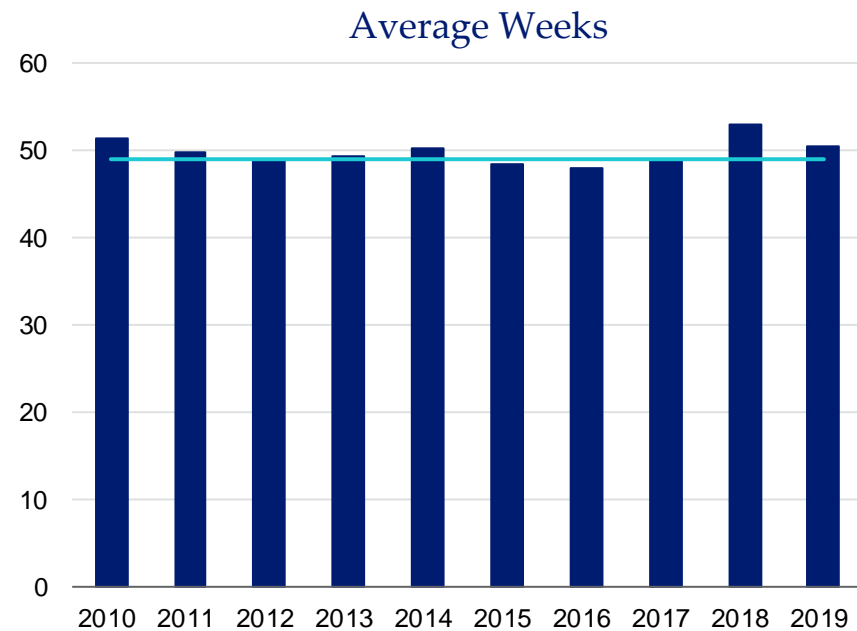
### Historical employment

- The 2019 zone certification was based on an industry activity assumption of 48 actives, with contributions made for each active for 49 weeks per year.
- The valuation is based on 52 actives and an employment projection of 49 weeks.
- Recent total weeks have been declining while the average weeks have been level.



**Historical Average Total Weeks**

Last year	2,627
Last five years	2,675
Last ten years	3,640



**Historical Average Weeks**

Last year	51
Last five years	50
Last ten years	50

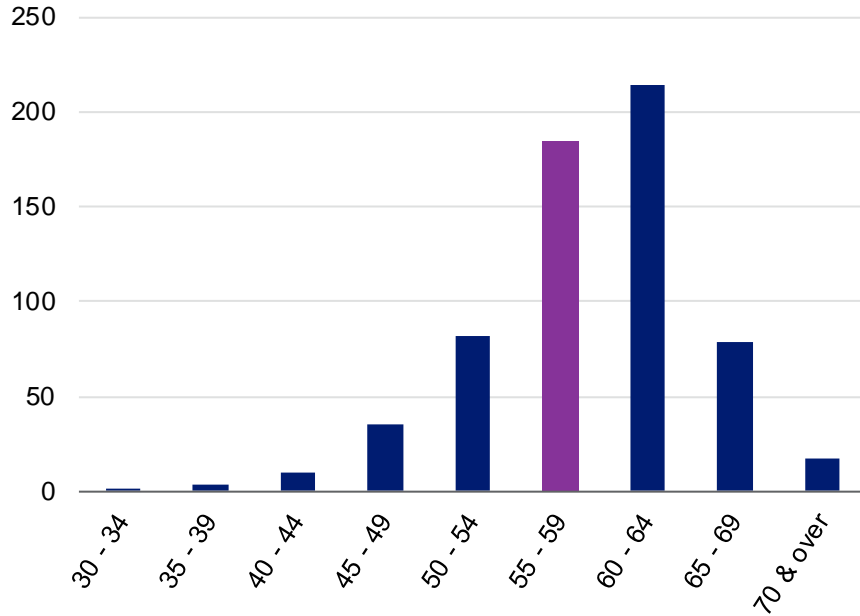
## Section 2: Actuarial Valuation Results

### Inactive vested participants

- A participant who is not currently active and has satisfied the vesting requirements for, but has not yet commenced, a pension is considered an “inactive vested” participant.
- There are 628 inactive vested participants this year, a decrease of 4.0% compared to 654 last year.
- This excludes 14 inactive vested participants over age 75.

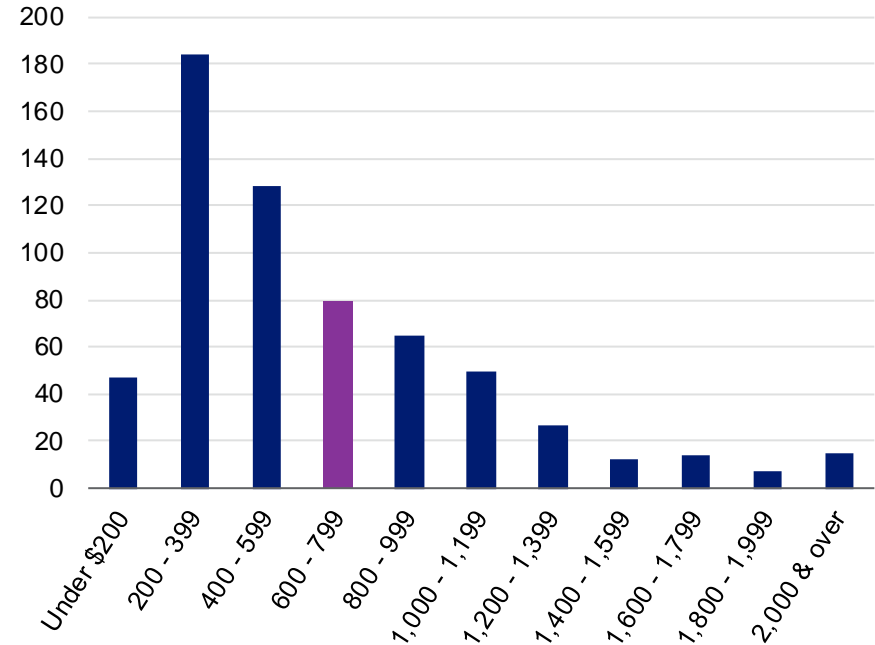
Distribution of Inactive Vested Participants as of June 30, 2019

by Age



Average age	58.7
Prior year average age	<u>58.1</u>
Difference	0.6

by Monthly Amount



Average amount	\$662
Prior year average amount	<u>\$675</u>
Difference	-\$13

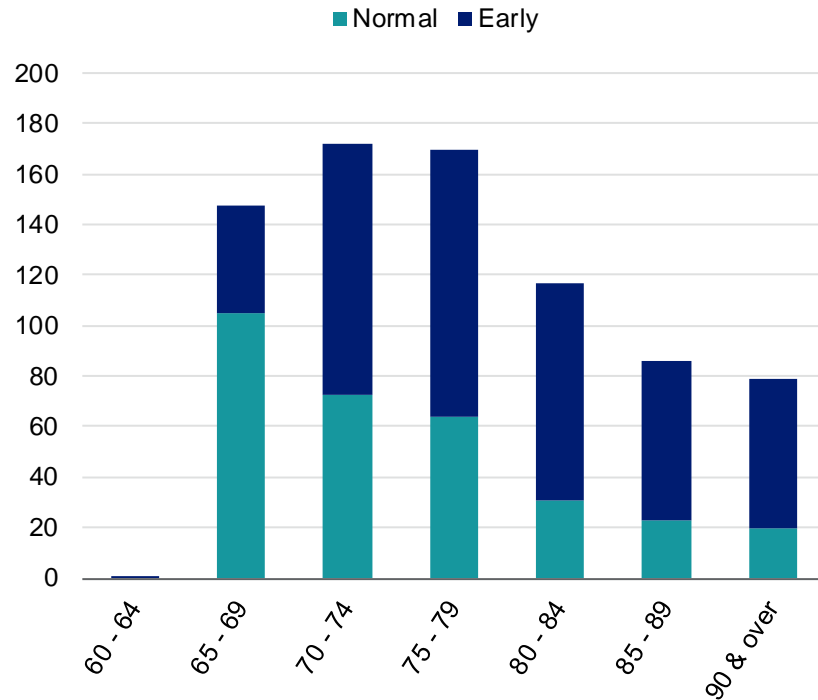
## Section 2: Actuarial Valuation Results

### Pay status information

- There are 779 pensioners and 117 beneficiaries this year, compared to 801 and 120, respectively, in the prior year.
- Monthly benefits for the Plan Year ending June 30, 2019 total \$547,852, as compared to \$549,009 in the prior year.

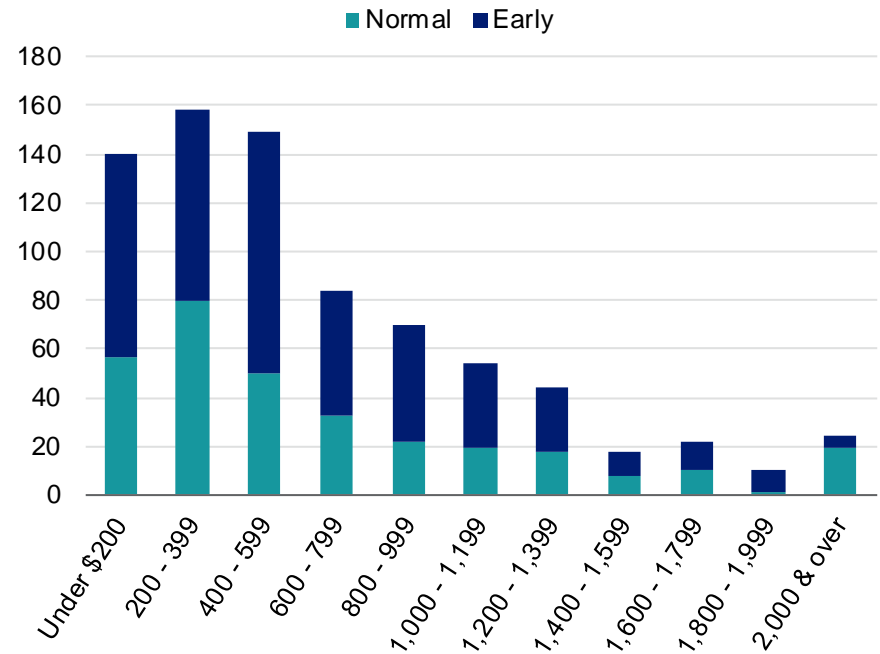
#### Distribution of Pensioners as of June 30, 2019

by Type and Age



Average age	77.6
Prior year average age	77.3
Difference	0.3

by Type and Monthly Amount



Average amount	\$667
Prior year average amount	\$648
Difference	\$19

## Section 2: Actuarial Valuation Results

### Determination of actuarial value of assets

- The valuation is based on the market value of assets. Under this valuation method, the full value of market fluctuation is recognized in a single year and, as a result, the asset value and the pension plan cost are relatively volatile. However, the volatility of plan costs is not an important factor for plans projected to become insolvent.

1	Market value of assets, June 30, 2019	\$13,429,778
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## 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.
- The net experience variation for the year, other than investment and administrative expense experience, was 0.0% of the projected actuarial accrued liability from the prior valuation, and was not significant when compared to that liability.

#### Experience for the Year Ended June 30, 2019

<b>1</b>	Loss from investments	
	(a) Net investment income	\$430,988
	(b) Average actuarial value of assets	16,471,075
	(c) Rate of return: (a) ÷ (b)	2.62%
	(d) Assumed rate of return	3.00%
	(e) Expected net investment income: (b) x (d)	<u>494,132</u>
	(f) Actuarial loss from investments: (a) – (e)	<b>-\$63,144</b>
<b>2</b>	Gain from administrative expenses	19,882
<b>3</b>	Net gain from other experience	<u>46,692</u>
<b>4</b>	<b>Net experience gain: 1(f) + 2 + 3</b>	<b><u>\$3,430</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.

## Section 2: Actuarial Valuation Results

### Non-investment experience

#### Administrative expenses

- Administrative expenses for the year ended June 30, 2019 totaled \$480,386, as compared to the assumption of \$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 5 years was 43.8 per year compared to 42.8 projected deaths per year. However, the average number of deaths for pensioners is too small to be statistically credible. The mortality tables and improvement scale used were published by the Society of Actuaries and are appropriate for the valuation of this plan.

#### Other experience

- Other differences between projected and actual experience include the extent of turnover among the participants and retirement experience (earlier or later than projected).

## Section 2: Actuarial Valuation Results

### Actuarial assumptions

- Based on past experience and future expectations, the following assumptions were changed since the prior valuation:
  - The mortality assumptions and improvement scale were updated for more recent tables published by the Society of Actuaries.
  - The retirement rate for actives and inactive vested participants was changed to age 65.
- These changes did not affect the Plan's projected insolvency year.
- Details on actuarial assumptions and methods are in Section 4, Exhibit 8.

## Section 2: Actuarial Valuation Results

### 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 rate changes

- The average weekly wage rate remained at \$1,088 for 2019.
- The average contribution rate remained at 10.4% of salary for 2019.

## Section 2: Actuarial Valuation Results

### 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 F.
- The 2019 certification, completed on September 27, 2019, was based on the liabilities calculated in the July 1, 2018 actuarial valuation, adjusted for subsequent events and projected to July 1, 2019, and estimated asset information as of July 1, 2019. The Trustees provided an industry activity projection of 48 active participants during the projection period, with each participant receiving contributions for 49 weeks each year.
- This Plan was classified as critical and declining because there was a projected deficiency in the FSA within one year and a projected insolvency within 15 years.
- In addition, the Plan is making the scheduled progress in meeting the requirements of its Rehabilitation Plan.

#### Rehabilitation Plan

- The Trustees have designed a Rehabilitation Plan to forestall plan insolvency.
- The Rehabilitation Plan includes two “schedules” of proposed changes in benefits and contribution levels:
  - A “default” schedule that reduces benefits to the maximum extent permitted by law, including the elimination of early retirement benefits, and increases contribution rates.
  - A “preferred” schedule that has the same benefit reductions as the default schedule except it allows for the Supplemental Early Retirement Benefit (up to \$600 per month) for retirements prior to June 30, 2013 and for an unsubsidized Early Retirement Benefit. The preferred schedule also calls for higher contribution rates.
- These schedules were provided to the bargaining parties as required.
- Collective bargaining agreements were renewed for all active participants to adopt one of the schedules. For inactive vested participants, the Rehabilitation Plan calls for benefit reductions based on the default schedule.
- Section 432(e)(3)(B) requires that the Trustees annually update the Rehabilitation Plan and Schedules. Segal will continue to assist the Trustees to evaluate and update the Rehabilitation Plan and to prepare the required assessment of Scheduled Progress.

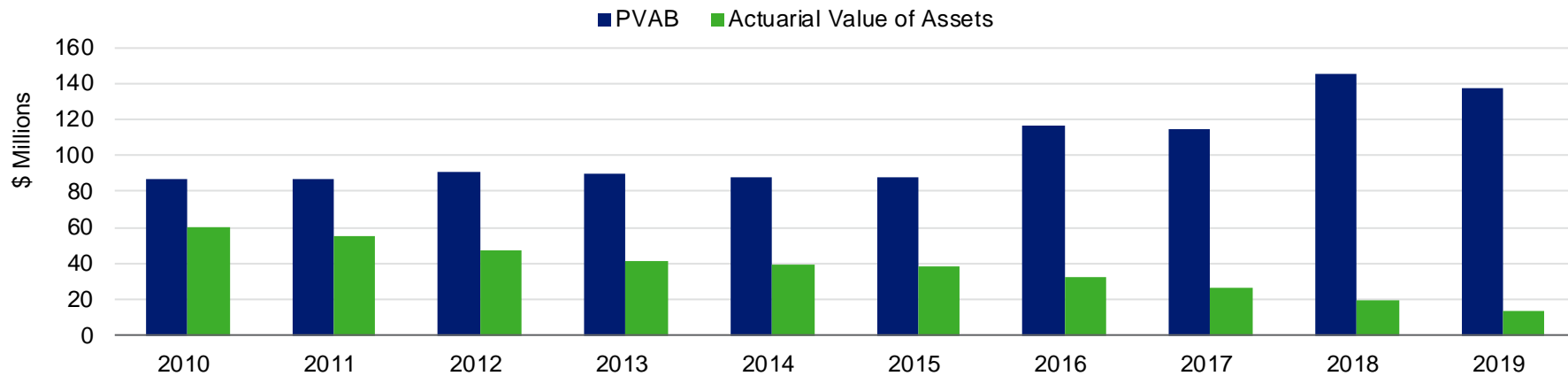
## Funding Standard Account (FSA)

- On June 30, 2019, the FSA had a funding deficiency of \$59,985,527, 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.
- The minimum funding requirement for the year beginning July 1, 2019 is \$71,133,290.
- A summary of the ERISA minimum funding requirements and the FSA for the year ended June 30, 2019 is included in Section 3, Exhibit E.

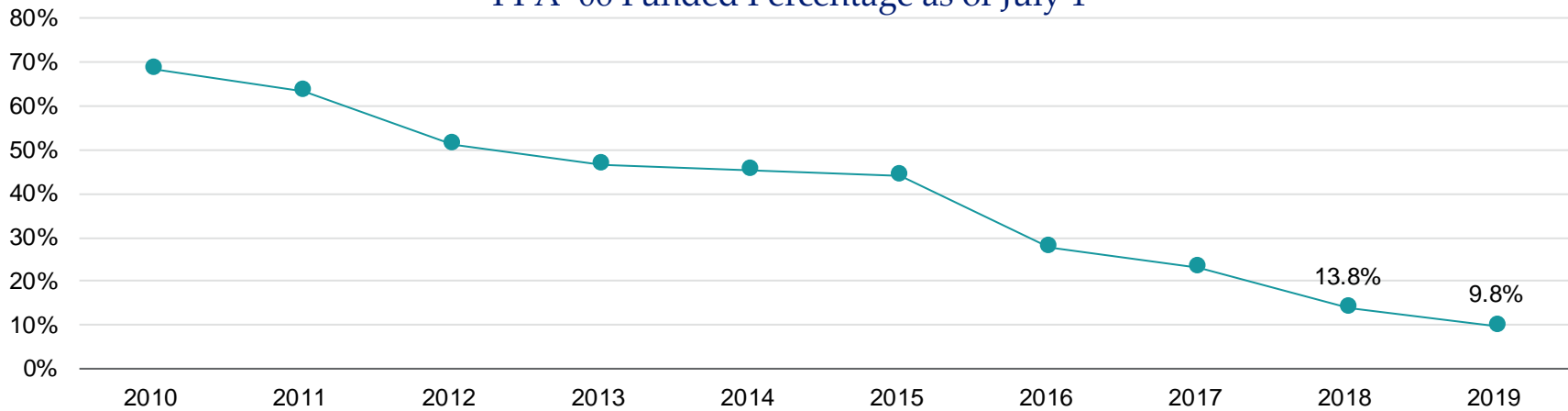
## Section 2: Actuarial Valuation Results

### PPA'06 funded percentage historical information

Present Value of Accrued Benefits (PVAB) vs.  
Actuarial Value of Assets as of July 1



PPA '06 Funded Percentage as of July 1

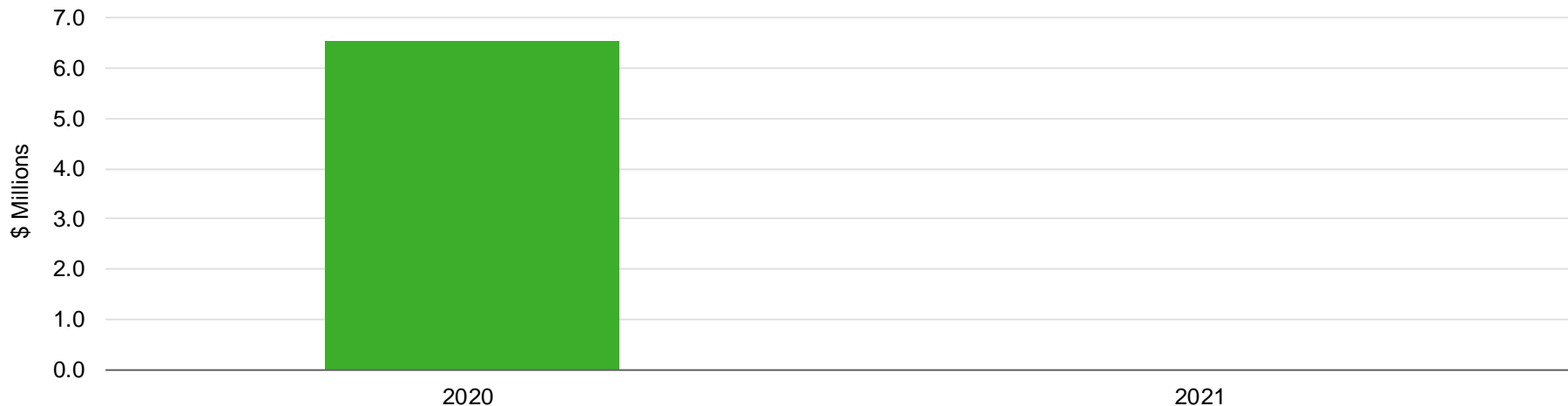


## Section 2: Actuarial Valuation Results

### 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 F for more information.
- This Plan was certified as critical and declining based on a projected insolvency within 2 years during the 2020-2021 Plan Year.
- The Plan is operating under a Rehabilitation Plan that is intended to forestall insolvency.
- Based on this valuation, assets are still projected to be exhausted in 2020-2021, as shown below. This is the same year as projected in the prior year valuation. However, depending on the actual cash flows from 2020-2021, plan assets may be sufficient to cover full benefits for 2020-2021 with the insolvency occurring as late as in July 2021.
- This projection is based on the negotiated contribution rates, the current valuation assumptions, including the industry activity assumption of 52 active participants, each receiving contributions for 49 weeks per year, and annual withdrawal liability payments of \$87,812.

Projected Assets as of June 30





## Section 2: Actuarial Valuation Results

### Funding concerns

- The projected inability to pay future benefits must continue to be monitored.
- The actions already taken to address this issue include the Trustees' Rehabilitation Plan that was updated to forestall plan insolvency.
- As the Plan heads towards insolvency, we will assist the Trustees in obtaining PBGC assistance for the Plan.

## Section 2: Actuarial Valuation Results

### Risk

- The actuarial valuation results are dependent on a single set of assumptions. Typically, there is a risk that emerging results may differ significantly as actual experience proves to be different from the current assumptions. However, due to the Plan's projected insolvency and asset allocation, the Plan has limited risk.

# Section 3: Supplementary Information

## Exhibit A: Table of Plan Coverage

Category	Year Ended June 30		Change from Prior Year
	2018	2019	
<b>Participants in Fund Office tabulation</b>	52	55	5.8%
Less: Participants with less than one Year of Credit	3	3	N/A
<b>Active participants in valuation:</b>			
• Number	49	52	6.1%
• Average age	53.2	52.4	-0.8
• Average Years of Credit	21.8	20.2	-1.6
• Average weekly wage rate for upcoming year	\$1,088	\$1,088	0.0%
• Average contribution rate for upcoming year	10.4%	10.4%	0.0%
• Number with unknown age	2	5	150.0%
• Total active vested participants	47	44	-6.4%
<b>Inactive participants with rights to a pension:</b>			
• Number	654	628	-4.0%
• Average age	58.1	58.7	0.6
• Average monthly benefit	\$675	\$662	-1.9%
<b>Pensioners:</b>			
• Number in pay status	801	779	-2.7%
• Average age	77.3	77.6	0.3
• Average monthly benefit	\$648	\$667	2.9%
<b>Beneficiaries:</b>			
• Number in pay status	120	117	-2.5%
• Average age	78.6	78.9	0.3
• Average monthly benefit	\$252	\$243	-3.6%
<b>Total participants</b>	<b>1,624</b>	<b>1,576</b>	<b>-3.0%</b>

## Section 3: Supplementary Information

### Exhibit B: Summary Statement of Income and Expenses on an Actuarial Basis

	Year Ended June 30, 2018	Year Ended June 30, 2019
<b>Contribution income:</b>		
• Employer contributions	\$288,346	\$286,208
• Withdrawal liability payments	<u>109,765</u>	<u>87,812</u>
<i>Contribution income</i>	\$398,111	\$374,020
<b>Investment income:</b>		
• Expected investment income	\$1,146,651	\$494,132
• Adjustment toward market value	<u>-616,915</u>	<u>-63,144</u>
<i>Net investment income</i>	529,736	430,988
<b>Total income available for benefits</b>	<b>\$927,847</b>	<b>\$805,008</b>
<b>Less benefit payments and expenses:</b>		
• Pension benefits	-\$6,953,552	-\$6,838,203
• Administrative expenses	<u>-483,370</u>	<u>-480,386</u>
<i>Total benefit payments and expenses</i>	-\$7,436,922	-\$7,318,589
<b>Change in actuarial value of assets</b>	<b>-\$6,509,075</b>	<b>-\$6,513,581</b>
<b>Actuarial value of assets</b>	<b>\$19,943,359</b>	<b>\$13,429,778</b>
<b>Market value of assets</b>	<b>\$19,943,359</b>	<b>\$13,429,778</b>

## Section 3: Supplementary Information

### Exhibit C: Investment Return – Actuarial Value vs. Market Value

Year Ended June 30	Actuarial Value Investment Return <sup>1</sup>		Market Value Investment Return		Year Ended June 30	Actuarial Value Investment Return <sup>1</sup>		Market Value Investment Return	
	Amount	Percent	Amount	Percent		Amount	Percent	Amount	Percent
2000	\$8,667,266	10.30%	\$10,695,383	11.61%	2010	\$5,259,354	9.04%	\$5,650,151	11.81%
2001	2,813,909	3.24%	-2,812,893	-2.91%	2011	3,151,402	5.64%	9,213,623	20.05%
2002	268,108	0.32%	-8,377,061	-9.55%	2012	-1,120,134	-2.17%	1,267,072	2.66%
2003	352,509	0.46%	2,088,386	2.86%	2013	545,899	1.24%	4,939,570	11.64%
2004	2,883,625	4.04%	11,025,284	16.01%	2014	5,040,422	13.20%	6,207,362	15.10%
2005	11,632,879	16.92%	6,032,295	8.12%	2015	5,555,346	15.31%	1,481,135	3.67%
2006	5,736,880	7.68%	6,269,142	8.39%	2016	834,172	2.39%	834,172	2.39%
2007	7,080,558	9.58%	12,411,159	16.68%	2017	1,271,485	4.43%	1,271,485	4.43%
2008	5,627,672	7.58%	-3,386,416	-4.23%	2018	529,736	2.31%	529,736	2.31%
2009	-7,217,593	-9.91%	-14,392,992	-20.67%	2019	430,988	2.62%	430,988	2.62%
<b>Total</b>						<b>\$59,344,483</b>		<b>\$51,377,581</b>	
						<b>Most recent five-year average return:</b>	<b>6.19%</b>	<b>3.17%</b>	
						<b>Most recent ten-year average return:</b>	<b>5.55%</b>	<b>8.64%</b>	
						<b>20-year average return</b>	<b>5.14%</b>	<b>4.43%</b>	

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

<sup>1</sup> The investment returns for 2005 and 2015 include the effect of a change in the method for determining the actuarial value of assets.

## Section 3: Supplementary Information

### Exhibit D: Annual Funding Notice for Plan Year Beginning July 1, 2019 and Ending June 30, 2020

	2019 Plan Year	2018 Plan Year	2017 Plan Year
Actuarial valuation date	July 1, 2019	July 1, 2018	July 1, 2017
Funded percentage	9.8%	13.8%	23.1%
Value of assets	\$13,429,778	\$19,943,359	\$26,452,434
Value of liabilities	137,281,382	144,707,635	114,608,952
Market value of assets as of plan year end	Not available	13,429,778	19,943,359

#### Critical, Critical and Declining or Endangered Status

The Plan was in critical status in the plan year for the following six reasons:

1. The plan had a projected Funding Standard Account funding deficiency within 4 years; and
2. The plan had a funded percentage less than 65% and a projected funding deficiency within 5 years; and
3. The plan's inactive vested liability exceeded that for actives and the plan had a projected funding deficiency within 5 years and the plan's projected contributions fall short of the plan's normal cost plus interest on unfunded liability; and
4. The plan had a funded percentage less the 65% and the present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over seven years.
5. The plan was in critical status last year and had a projected funding deficiency within 10 years; and
6. The plan was in critical status last year and had a projected insolvency within 30 years.

The plan was also in critical and declining status because:

1. The plan had a ratio of inactives to actives of at least 2 to 1 and had a projected insolvency within 20 years; and
2. The plan had a funded percentage less than 80% and had a projected insolvency within 20 years; and
3. The plan had a projected insolvency within 15 years.

## Section 3: Supplementary Information

### Exhibit E: 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 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.
- On June 30, 2019, the FSA had a funding deficiency of \$59,985,527, 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 June 30, 2019

Charges		Credits			
1	Prior year funding deficiency	\$49,134,726	6	Prior year credit balance	\$0
2	Normal cost, including administrative expenses	720,022	7	Employer contributions	374,020
3	Total amortization charges	9,219,496	8	Total amortization credits	467,295
4	Interest to end of the year	<u>1,772,227</u>	9	Interest to end of the year	19,629
5	<i>Total charges</i>	\$60,846,471	10	Full-funding limitation credit	<u>0</u>
			11	<i>Total credits</i>	\$860,944
				<b>Credit balance (Funding deficiency):</b>	<b><u>-\$59,985,527</u></b>
				<b>11 - 5</b>	

## Section 3: Supplementary Information

### Exhibit F: 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.



## Section 3: Supplementary Information

### 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 4: Certificate of Actuarial Valuation

April 24, 2020

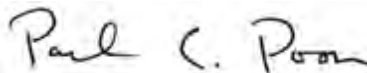
## Certificate of Actuarial Valuation

This is to certify that Segal has prepared an actuarial valuation of the San Francisco Lithographers Pension Trust as of July 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 draft 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 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.



Paul C. Poon, ASA, MAAA  
Vice President & Actuary  
Enrolled Actuary No. 20-06069

## Section 4: Certificate of Actuarial Valuation

### 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 117 beneficiaries in pay status)	896
Participants inactive during year ended June 30, 2019 with vested rights	628
Participants active during the year ended June 30, 2019 (including 5 participants with unknown age)	52
• Fully vested	44
• Not vested	8
Total participants	<b>1,576</b>

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

Normal cost, including administrative expenses	\$731,783
Actuarial present value of projected benefits	139,036,485
Present value of future normal costs	1,755,103
<b>Actuarial accrued liability</b>	<b>137,281,382</b>
• Pensioners and beneficiaries	\$65,291,137
• Inactive participants with vested rights	62,430,032
• Active participants	9,560,213
Actuarial value of assets (\$13,429,778 <sup>1</sup> at market value as reported by Miller, Kaplan, Arase & Co., LLP)	\$13,429,778
Unfunded actuarial accrued liability	123,851,604

<sup>1</sup> This amount differs from the market value of \$13,582,606 from the audited financial statement because it does not include receivable withdrawal liability payments.

## Section 4: Certificate of Actuarial Valuation

### 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 July 1, 2018 and as of July 1, 2019. In addition, the factors that affected the change between the two dates follow.

	Benefit Information Date	
	July 1, 2018	July 1, 2019
Actuarial present value of vested accumulated plan benefits:		
• Participants currently receiving payments	\$69,071,007	\$65,291,137
• Other vested benefits	<u>75,613,769</u>	<u>71,974,101</u>
• Total vested benefits	\$144,684,776	\$137,265,238
Actuarial present value of non-vested accumulated plan benefits	22,859	16,144
<b>Total actuarial present value of accumulated plan benefits</b>	<b>\$144,707,635</b>	<b>\$137,281,382</b>

Factors	Change in Actuarial Present Value of Accumulated Plan Benefits
Benefits accumulated, net experience gain or loss, changes in data	\$187,457
Benefits paid	-6,838,203
Changes in actuarial assumptions	-5,014,163
Interest	4,238,656
<b>Total</b>	<b>-\$7,426,253</b>

## Section 4: Certificate of Actuarial Valuation

### Exhibit 3: Current Liability

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

Item <sup>1</sup>	Amount
Retired participants and beneficiaries receiving payments	\$68,467,658
Inactive vested participants	63,829,811
Active participants	
• Non-vested benefits	\$16,275
• Vested benefits	<u>9,751,051</u>
• <i>Total active</i>	\$9,767,326
<b>Total</b>	<b>\$142,064,795</b>
Expected increase in current liability due to benefits accruing during the plan year	\$244,260
Expected release from current liability for the plan year	7,058,416
Expected plan disbursements for the plan year, including administrative expenses of \$500,000	7,558,416
Current value of assets	\$13,429,778
Percentage funded for Schedule MB	9.45%

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

## Section 4: Certificate of Actuarial Valuation

### Exhibit 4: Information on Plan Status as of July 1, 2019

Plan status (as certified on September 27, 2019, for the 2019 zone certification)	<b>Critical and Declining</b>
Scheduled progress (as certified on September 27, 2019, for the 2019 zone certification)	Yes
Actuarial value of assets for FSA	\$13,429,778
Accrued liability under unit credit cost method	137,281,382
Funded percentage for monitoring plan's status	9.8%
Reduction in unit credit accrued liability benefits since the prior valuation date resulting from the reduction in adjustable benefits	\$0
Year in which insolvency is expected	July 1, 2020 – June 30, 2021

## Section 4: Certificate of Actuarial Valuation

### Exhibit 5: Schedule of Projection of Expected Benefit Payments

(Schedule MB, Line 8b(1))

Plan Year	Expected Annual Benefit Payments <sup>1</sup>
2019	\$7,041,726
2020	7,145,324
2021	7,059,272
2022	7,092,552
2023	7,178,845
2024	7,221,786
2025	7,431,011
2026	7,614,652
2027	7,684,068
2028	7,629,113

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

- no additional accruals,
- experience is in line with valuation assumptions,
- no new entrants are covered by the plan, and
- does not reflect reduced benefits due to plan insolvency.

## Section 4: Certificate of Actuarial Valuation

### Exhibit 6: Schedule of Active participant Data

(Schedule MB, Line 8b(2))

The participant data is for the year ended June 30, 2019.

Age	Years of Credit									
	Total	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 & over
30 - 34	1	–	–	1	–	–	–	–	–	–
35 - 39	3	1	1	1	–	–	–	–	–	–
40 - 44	6	–	4	1	–	1	–	–	–	–
45 - 49	2	1	–	–	–	–	1	–	–	–
50 - 54	5	–	–	1	1	–	1	1	1	–
55 - 59	19	–	3	1	1	1	7	3	3	–
60 - 64	10	1	–	–	1	–	3	–	2	3
65 - 69	1	–	–	–	–	1	–	–	–	–
Unknown	5	5	–	–	–	–	–	–	–	–
<b>Total</b>	<b>52</b>	<b>8</b>	<b>8</b>	<b>5</b>	<b>3</b>	<b>3</b>	<b>12</b>	<b>4</b>	<b>6</b>	<b>3</b>

Note: Excludes 3 participants with less than one Year of Credit.



## Section 4: Certificate of Actuarial Valuation

### Exhibit 7: Funding Standard Account

The table below presents the FSA for the Plan Year ending June 30, 2020.

Charges		Credits		
<b>1</b>	Prior year funding deficiency	\$59,985,527	<b>6</b> Prior year credit balance	\$0
<b>2</b>	Normal cost, including administrative expenses	731,783	<b>7</b> Amortization credits	875,359
<b>3</b>	Amortization charges	9,219,496	<b>8</b> Interest on <b>6 and 7</b>	26,261
<b>4</b>	Interest on <b>1, 2 and 3</b>	2,098,104	<b>9</b> Full-funding limitation credit	0
<b>5</b>	Total charges	\$72,034,910	<b>10</b> Total credits	\$901,620
Minimum contribution with interest required to avoid a funding deficiency: <b>5 - 10</b> , not less than zero				\$71,133,290

#### Full Funding Limitation (FFL) and Credits

ERISA FFL (accrued liability FFL)	\$128,320,889
RPA'94 override (90% current liability FFL)	119,398,521
FFL credit	0

## Section 4: Certificate of Actuarial Valuation

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

Type of Base	Date Established	Amortization Amount	Years Remaining	Outstanding Balance
Combined Base	07/01/2014	\$3,969,024	4	\$15,195,850
Change in Assumptions	07/01/2015	7,394	11	70,466
Experience Loss	07/01/2016	124,691	12	1,278,405
Change in Assumptions	07/01/2016	2,521,086	12	25,847,750
Experience Loss	07/01/2018	44,156	14	513,749
Change in Assumptions	07/01/2018	2,553,145	14	29,705,723
<b>Total</b>		<b>\$9,219,496</b>		<b>\$72,611,943</b>

## Section 4: Certificate of Actuarial Valuation

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

Type of Base	Date Established	Amortization Amount	Years Remaining	Outstanding Balance
Change in Asset Method	07/01/2015	\$146,842	6	\$819,334
Experience Gain	07/01/2015	146,439	11	1,395,589
Change in Funding Method	07/01/2016	86,577	7	555,584
Change In Assumptions	07/01/2017	25,756	13	282,126
Experience Gain	07/01/2017	61,680	13	675,640
Experience Gain	07/01/2019	279	15	3,430
Change in Assumptions	07/01/2019	407,786	15	5,014,163
<b>Total</b>		<b>\$875,359</b>		<b>\$8,745,866</b>

## Section 4: Certificate of Actuarial Valuation

### Exhibit 8: Statement of Actuarial Assumptions/Methods

(Schedule MB, Line 6)

#### Mortality Rates

*Preretirement:* Pri-2012 Employee Blue Collar Amount-weighted Mortality Table with generational projection using Scale MP2019.

*Postretirement:* Pri-2012 Blue Collar Healthy Retiree Amount-weighted Mortality Table with generational projection using scale MP2019.

The underlying tables with generational projection to the ages of 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 future mortality improvement between the measurement date and those 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 assumption over the most recent 5 years.

#### Annuitant Mortality Rates

Age	Rate (%) <sup>1</sup>	
	Healthy	
	Male	Female
55	0.64	0.49
60	0.93	0.71
65	1.27	1.08
70	2.05	1.64
75	3.33	2.62
80	5.72	4.35
85	9.78	4.49
90	16.54	13.05

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

## Section 4: Certificate of Actuarial Valuation

### Termination Rates

Age	Rate (%)			
	Males		Females	
	Mortality <sup>1</sup>	Withdrawal <sup>2</sup>	Mortality <sup>1</sup>	Withdrawal <sup>2</sup>
20	0.07	9.94	0.02	11.94
25	0.07	9.67	0.03	11.62
30	0.07	9.30	0.03	11.21
35	0.07	8.71	0.04	10.55
40	0.09	7.75	0.06	9.40
45	0.12	6.35	0.09	7.54
50	0.18	4.22	0.13	4.83
55	0.28	1.55	0.20	1.73
60	0.44	0.15	0.30	0.16

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

<sup>2</sup> Withdrawal rates do not apply at retirement eligibility.

The termination rates were based on historical and current demographic data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of terminations and the projected number based on the assumption over the most recent 5 years.

### Retirement Rate for Active and Inactive Vested Participants

Age 65

The retirement rate was based on historical and current data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of retirements and the projected number based on the assumption over the most recent 5 years.

### Description of Weighted Average Retirement Age

Age 65.0, 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 this actuarial valuation.

### Future Service Accruals

49 weeks per year

The future service accruals were based on historical and current data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, a comparison was made between the assumed and the actual benefit accruals over the most recent 5 years.

## Section 4: Certificate of Actuarial Valuation

<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 10 weeks worked in the most recent plan year and who have accumulated at least one Year of Credit, excluding those who have retired as of the valuation date.
<b>Exclusion of Inactive Participants</b>	Inactive participants over age 75 are excluded from the valuation (14 excluded in this valuation). The exclusion of inactive vested participants over age 75 was based on historical and current data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, the ages of new retirees from inactive vested status were reviewed.
<b>Percent Married</b>	70%
<b>Age of Spouse</b>	Spouses of male participants are four years younger and spouses of females participants are four years older.
<b>Benefit Election</b>	For future retirements, married participants are assumed to elect the 75% Joint and Survivor Option (“QOSA”) and non-married participants are assumed to elect the Single Life Annuity. The benefit elections were based on historical and current demographic data, adjusted to reflect the plan design, estimated future experience and professional judgment.
<b>Delayed Retirement Factors</b>	Inactive vested participants who are assumed to commence receipt of benefits after attaining normal retirement age qualify for delayed retirement increases.
<b>Net Investment Return</b>	3.00% The net investment return assumption is an 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 Segal Marco Advisors, as well as the Plan’s target asset allocation.
<b>Annual Administrative Expenses</b>	\$500,000, payable monthly (equivalent to \$492,076 payable at the beginning of the year) The annual administrative expenses were based on historical and current data, adjusted to reflect estimated future experience and professional judgment.
<b>Actuarial Value of Assets</b>	At 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 9.
<b>Current Liability Assumptions</b>	Interest: 3.07%, within the permissible range prescribed under IRC Section 431(c)(6)(E) Mortality: Mortality prescribed under IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1: RP-2014 employee and annuitant mortality tables, adjusted backward to the base year (2006) using scale MP-2014, projected forward generationally using scale MP-2017 (previously, the MP-2016 scale was used).

## Section 4: Certificate of Actuarial Valuation

<b>Estimated Rate of Investment Return</b>	<i>On actuarial value of assets (Schedule MB, line 6g): 2.6%, for the Plan Year ending June 30, 2019</i> <i>On current (market) value of assets (Schedule MB, line 6h): 2.6%, for the Plan Year ending June 30, 2019</i>
<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 Funding Standard Account is therefore assumed to be equivalent to a January 1 <sup>st</sup> contribution date.

## Section 4: 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 3.00% to 3.07% 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:

- Preretirement mortality rates, previously based on RP-2014 Blue Collar Employee Mortality Table with generational projection using Scale MP2016.
- Postretirement mortality rates, previously based on RP-2014 Blue Collar Healthy Annuitant Mortality Table with generational projection using Scale MP2016.
- Retirement rates for actives, previously:

Age	Retirement Rates*
55 – 59	3%
60	25
61	15
62	35
63 – 64	20
65 – 66	35
67	100

\*For active participants covered under the Default Schedule, the retirement rate from ages 55-64 is 0%.



## Section 4: Certificate of Actuarial Valuation

### 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>	July 1 through June 30
<b>Pension Credit Year</b>	July 1 through June 30
<b>Plan Status</b>	Ongoing plan
<b>Normal Retirement Pension</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> 65</li> <li>• <i>Years of Credit Requirement:</i> 5 years</li> <li>• <i>Amount:</i> 0.2083% of each year's Compensation through June 30, 1996; plus 3.472% of contributions made from July 1, 1996 to June 30, 2002; 2.97% of contributions made from July 1, 2002 to June 30, 2003; 1.50% of contributions made from July 1, 2003 to June 30, 2009; and 1.00% of contributions received thereafter.</li> <li>• Effective July 1, 2009, benefits are earned for contributions up to 7.00% of compensation.</li> </ul>
<b>Early Retirement Pension</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> 55</li> <li>• <i>Years of Credit Requirement:</i> 10 years</li> <li>• <i>Amount:</i> For participants covered under the Preferred Schedule of the Rehabilitation Plan, the Accrued Normal Retirement Pension is reduced from Normal Retirement Age, based on the GAM 94 (50%/50%) table and 7% interest rate. The Early Retirement Pension is not available for participants under the Default Schedule or to those with a One-Year Break in Service on June 30, 2009.</li> </ul>
<b>Vesting</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Years of Credit Requirement:</i> 5 years</li> <li>• <i>Amount:</i> Normal Retirement Pension amount accrued, payable commencing at Normal Retirement Age or, if eligible, on a reduced basis as early as age 55.</li> </ul>
<b>Normal Retirement Age</b>	The later of (a) the date the participant attains age 65 and (b) the earlier of the 5th anniversary of participation or the date the participant accrues 5 Years of Credit.

## Section 4: Certificate of Actuarial Valuation

<b>Spousal Annuity</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Years of Credit Requirement:</i> 5 years</li> <li>• <i>Amount:</i> 50% of the benefit that the participant would have received had they retired, the day before death, on a Joint and Survivor pension. If the participant was not yet eligible to retire at the time of death, the commencement of the spouse's benefit is deferred until the date he or she would have been eligible, based on service earned up to the time of death.</li> </ul>
<b>Joint and Survivor Pension</b>	<ul style="list-style-type: none"> <li>• Retirement benefits for married employees are paid in the form of a 50% joint and survivor annuity unless this form is rejected by the participant and spouse. The benefit amount payable is reduced to reflect the joint-and-survivor coverage. If this type of pension is rejected, or if the participant is unmarried, benefits are payable for the life of the participant (with a minimum guarantee of 120 monthly payments, provided this feature has not been eliminated pursuant to the Rehabilitation Plan) without reduction or in any other available optional form elected in an actuarially equivalent amount.</li> </ul>
<b>Optional Forms of Benefits</b>	<ul style="list-style-type: none"> <li>• Marital Annuity ("QJSA"- 50% joint and survivor annuity)</li> <li>• 75% joint and survivor annuity ("QOSA")</li> <li>• Single Life annuity (with 120-month guarantee provided only if it has not been eliminated pursuant to the Rehabilitation Plan)</li> </ul>
<b>Compensation</b>	Basic Weekly Wage Rate (annualized).
<b>Week of Service</b>	Any weekly pay period for which an employee is entitled to payment for actual performance of duties.
<b>Break-in-Service Rules</b>	<ul style="list-style-type: none"> <li>• <i>One-Year Break:</i> Commencing July 1, 1986, an employee incurs a One-Year Break-in-Service if the participant fails to earn at least 10 Weeks of Service in a Plan Year.</li> <li>• <i>Permanent Break:</i> A non-vested participant incurs a Permanent Break-in-Service if the number of consecutive One-Year Breaks-in-Service (including at least one after June 30, 1986) is at least 5 and equals or exceeds the number of full Years of Credited Service which the participant had previously accumulated. At this time all accumulated benefits are canceled.</li> </ul>
<b>Participation Rules</b>	<ul style="list-style-type: none"> <li>• <i>Participation:</i> An employee becomes a Participant at the beginning of his first week of service following a 52-week period containing 20 weeks of service.</li> <li>• <i>Termination of Participation:</i> A Participant who incurs a One-Year Break in Service ceases to be a Participant as of the last day of the Plan Year which constituted the One-Year Break-in-Service, unless the Participant has retired or attained vested rights.</li> </ul>
<b>Past Service Credit</b>	Up to 13 years for Covered Service before effective date of the Plan.
<b>Future Service Credit</b>	A participant who earns at least 20 Weeks of Service in a Plan Year receives a Year of Future Service Credit.
<b>Years of Credit</b>	Past and Future Service Credits.

## Section 4: Certificate of Actuarial Valuation

<b>Schedule of Contribution Rates</b>	As of July 1, 2019, the average contribution rate was 10.4% of compensation, of which 7.00% applies towards benefit accruals. The weekly wage rate varied from \$390 to \$2,500 with an average of \$1,088.
<b>Rehabilitation Plan Schedules</b>	<ul style="list-style-type: none"><li>• The Rehabilitation Plan includes the following two schedules of plan changes:</li><li>• For participants covered under the Default Schedule,<ul style="list-style-type: none"><li>– the Early Retirement Benefit was eliminated,</li><li>– the subsidy on the Qualified Joint and Survivor Annuities was eliminated,</li><li>– the 120-month guarantee on the Single Life Annuity was eliminated,</li><li>– the Pre-Retirement Death Benefit was eliminated, and</li><li>– the Supplemental Early Retirement Pension was eliminated.</li></ul></li><li>• For participants covered under the Preferred Schedule,<ul style="list-style-type: none"><li>– the subsidy on the Early Retirement Benefit was eliminated,</li><li>– the subsidy on the Qualified Joint and Survivor Annuities was eliminated,</li><li>– the 120-month guarantee on the Single Life Annuity was eliminated,</li><li>– the Pre-Retirement Death Benefit was eliminated, and</li><li>– the Supplemental Early Retirement Benefit is limited to \$600 per month and is not available for those who retire after June 30, 2013.</li></ul></li></ul>
<b>Plan Amendment</b>	The valuation reflects Rehabilitation Plan schedules that have been renegotiated into CBAs by the valuation date. There were no changes since the prior year.

# Section 5: General Background

A summary of major developments in connection with the Fund's background and position is provided in this section.

## Changes in Contribution Rates and Benefit Amounts

An outline of the major developments in connection with the Plan's background and position is given below.

Effective Date		Maximum Credited Contribution Rate (% of wages)	Benefit Crediting Rate		Adjustment to Existing Retirees
Year	Month		All Service to 6/30/1996 (% of wages)	After 7/1/1996 (% of Contributions)	
1974	November	6%			
1979	May	7%	.1022%		
1981	September		.1226		Full
1984	July		.1533		Full
1985	July		.1640		Full
1986	July		.1722		Full
1988	July		.1782		Full
1990	July				(1)
1991	July				+5%
1996	July				(2)
	October		.2083		+10% <sup>(3)</sup>
	December				+2% <sup>(4)</sup>
	<sup>(5)</sup>			3.472%/ 2.97% <sup>(6)</sup>	\$500 <sup>(7)</sup>
1997	July			3.472%/ 2.97% <sup>(8)</sup>	<sup>(7)</sup>
1998	July				\$300 <sup>(7)</sup>
1999	July				\$500 <sup>(7)</sup>
2001	December				\$500 <sup>(7)</sup>
2003	July			3.472%/2.97%/1.5% <sup>(9)</sup>	
2009	July			3.472%/2.97%/1.5%/1.0% <sup>(10)</sup>	

## Section 5: General Background

### Footnotes:

- (1) \$4 per month for each full year since retirement.
- (2) Supplemental checks granted for the current benefit amount and \$500.
- (3) This factor applies to retirements effective before July 1, 1976.
- (4) This factor applies to retirements effective before December 1, 1996.
- (5) Amendment made also retroactive to October 1, 1996.
- (6) The 3.472% factor applies to contributions from July 1, 1996 to June 30, 1997 and 2.97% factor applies to contributions after July 1, 1997.
- (7) Supplemental check granted.
- (8) The 3.472% factor applies to contributions from July 1, 1996 to June 30, 2002 and 2.97% factor applies to contributions after July 1, 2002.
- (9) The 3.472% factor applies to contributions from July 1, 1996 to June 30, 2002, the 2.97% factor applies to contributions from July 1, 2002 to June 30, 2003, and the 1.5% factor applies to contributions after July 1, 2003.
- (10) The 3.472% factor applies to contributions from July 1, 1996 to June 30, 2002, the 2.97% factor applies to contributions from July 1, 2002 to June 30, 2003, the 1.5% factor applies to contributions from July 1, 2003 to June 30, 2009, and the 1.0% factor applies to contributions after July 1, 2009.

## Section 5: General Background

### Other Developments

Date	Event
March 28, 1950:	Plan was established.
July 1, 1978:	Funding Standard Account was established.
August 1, 1981:	Board adopted an immunized bond portfolio program with at least a 13.5% return between August 1, 1981 and December 31, 1992.
July 1, 1985:	Asset valuation method was changed to amortized cost basis for fixed income investments.
May 1, 1988:	Vesting requirement dropped to 5 years.
July 1, 1994:	Pension eligibility for the Supplemental Early Retirement benefit enhanced to require 26 weeks out of 260 weeks of Covered Service for participants with 30 years of credited service.
July 1, 1997:	Asset valuation method changed to method that gradually adjusts to market value.
July 1, 2005:	Asset valuation method was changed to recognize market value gains and losses, after July 1, 2005, over a five-year period.
July 1, 2008:	Plan certified as being in critical status (“Red Zone”).
May 21, 2009:	Trustees adopt a Rehabilitation Plan to forestall plan insolvency. The Rehabilitation Plan includes two schedules (“default” and “preferred”) of supplemental off-benefit contribution increases and benefit reductions.
July 1, 2009:	Benefits for current inactive vested participants no longer include early retirement, subsidized joint-and-survivor, and 120-month guarantee, pursuant to the Rehabilitation Plan.
July 1, 2014:	All outstanding amortization bases were combined and offset pursuant to Internal Revenue Code §431(b)(5)(B).
July 1, 2015:	Most recent favorable determination letter. Asset valuation method changed to market value. Plan certified as being in critical and declining status.
July 1, 2016	The actuarial cost method changed to Unit Credit.

5637653v1/00679.001

**San Francisco Lithographers Pension Trust**

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



180 HOWARD STREET, SUITE 1100 SAN FRANCISCO, CA 94105-6147  
T 415.263.8200 www.segalco.com

*September 27, 2019*

*Board of Trustees  
San Francisco Lithographers Pension Trust  
Alameda, California*

*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 July 1, 2019 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 July 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 Paul C. Poon, ASA, MAAA, Enrolled Actuary.*

*As of July 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).*

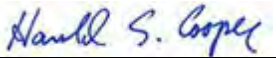
*Segal Consulting ("Segal") does not practice law and, therefore, cannot and does not provide legal advice. Any statutory interpretation on which the certification is based reflects Segal's understanding as an actuarial firm. Due to the complexity of the statute and the significance of its ramifications,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




*Board of Trustees  
San Francisco Lithographers Pension Trust  
September 27, 2019  
Page 2*

*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 updating the  
Rehabilitation Plan.*

*Sincerely,  
Segal Consulting, a Member of the Segal Group*

**  
By: Harold S. Cooper, FSA, MAAA, EA  
*Senior Vice President & Actuary*

**  
Paul C. Poon, ASA, MAAA, EA  
*Vice President & Actuary*

*TAS/bqb*

*cc: Kate Berry  
Kate Buffo  
Sun Chang, Esq.  
Patricia Davis, Esq.  
Catherine Gardner, CPA  
Brian Hyde  
Allan Shuldiner, Esq.*

5598024v2/00679.029



*September 27, 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 July 1, 2019 for the following plan:*

*Name of Plan: San Francisco Lithographers Pension Trust  
Plan number: EIN 94-6052228 / PN 001  
Plan sponsor: Board of Trustees, San Francisco Lithographers Pension Trust  
Address: 1600 Harbor Bay Parkway, Suite 200, Alameda, California 94502-3035  
Phone number: 415.546.7800*

*As of July 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  
180 Howard Street, Suite 1100  
San Francisco, CA 94105-6147  
Phone number: 415.263.8200*

*Sincerely,*

*Paul C. Poon, ASA, MAAA, EA  
Vice President & Actuary  
Enrolled Actuary No. 17-06069*

**September 27, 2019**

**Illustration Supporting Actuarial Certification of Status (Schedule MB, line 4b)  
ACTUARIAL STATUS CERTIFICATION AS OF JULY 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 San Francisco Lithographers Pension Trust as of July 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.

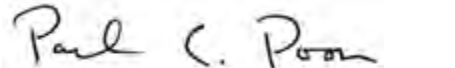
The measurements shown in this actuarial certification may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic 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; differences in statutory interpretation and changes in plan provisions or applicable law.

This certification is based on the July 1, 2018 actuarial valuation, dated April 18, 2019. 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) offer my best estimate of anticipated experience under the Plan.



Paul C. Poon, ASA, MAAA  
Vice President & Actuary  
Enrolled Actuary No. 17-06069

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**Certificate Contents**

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Actuarial Status Certification as of July 1, 2019 under IRC Section 432 for the San Francisco Lithographers Pension Trust

EIN 94-6052228 / PN 001

EXHIBIT I

Status Determination as of July 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? .....	Yes	Yes
C5.	The present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over five years? .....	Yes	Yes
<b>II. Emergence test:</b>			
C6.	(a) Was in critical status for the immediately preceding plan year, .....	Yes	
	(b) AND EITHER a funding deficiency is projected for the plan year or any of the next nine plan years, without regard to the use of the shortfall method but taking into account any extension of amortization periods under ERISA Section 304(d)(2) or ERISA Section 304 as in effect prior to PPA'06, .....	Yes	
	(c) OR insolvency is projected for the current year or any of the 30 succeeding plan years?.....	Yes	
	<b>Plan did NOT emerge?</b> .....		Yes
<b>III. Special emergence test:</b>			
C7.	(a) The trustees have elected an automatic amortization extension under 431(d),.....	No	
	(b) AND EITHER a funding deficiency is projected for the plan year or any of the next nine plan years, without regard to the use of the shortfall method but taking into account any extension of amortization periods under ERISA Section 304(d)(1), .....	N/A	
	(c) OR insolvency is projected for the current year or any of the 30 succeeding plan years? .....	N/A	
	<b>Plan did NOT emerge?</b> .....		N/A

**Actuarial Status Certification as of July 1, 2019 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

EIN 94-6052228 / PN 001

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

Status	Condition	Component Result	Final Result
<b>IV. Reentry into critical status after special emergence:</b>			
C8. (a)	The Plan emerged from critical status in any prior year under the special emergence rule, .....	No	
(b)	AND EITHER a funding deficiency is projected for the plan year or any of the next nine plan years, without regard to the use of the shortfall method but taking into account any extensions of amortization periods under ERISA Section 304(d),...	N/A	
(c)	OR insolvency is projected for the current year or any of the 30 succeeding plan years? .....	N/A	
	<b>Plan reentered critical status?</b> .....		N/A
<b>V. In Critical Status? (If C1-C6 or C8 is Yes, then Yes, unless C7 is No) .....</b>			<b>Yes</b>
If not in Critical Status, skip VI and go to VII			
<b>VI. Determination of critical and declining status:</b>			
C9. (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>
<b>VII. Determination whether plan is projected to be in critical status in any of the succeeding five plan years:</b>			
C10.(a)	Is not in critical status, .....	No	
(b)	AND is projected to be in critical status in any of the next five years? .....	N/A	N/A
<b>In Critical Status in any of the five succeeding plan years? .....</b>			<b>N/A</b>

Actuarial Status Certification as of July 1, 2019 under IRC Section 432 for the San Francisco Lithographers Pension Trust

EIN 94-6052228 / PN 001

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

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%? .....	N/A	No
E2. (a)	Is not in critical status,.....	No	
(b)	AND a funding deficiency is projected in seven years? .....	N/A	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 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.

**Actuarial Status Certification as of July 1, 2019 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

EIN 94-6052228 / PN 001

**EXHIBIT II  
Summary of Actuarial Valuation Projections**

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

**I. Financial Information**

1. Market value of assets				\$13,429,777
2. Actuarial value of assets				13,429,777
3. Reasonably anticipated contributions, including anticipated withdrawal liability payments				
a. Upcoming year				361,884
b. Present value for the next five years				1,758,589
c. Present value for the next seven years				2,445,865
4. Projected benefit payments				6,993,433
5. Projected administrative expenses (beginning of year)				506,838

**II. Liabilities**

1. Present value of vested benefits for active participants				9,406,758
2. Present value of vested benefits for non-active participants				132,912,539
3. Total unit credit accrued liability				142,342,873
4. Present value of payments		<b>Benefit Payments</b>	<b>Administrative Expenses</b>	<b>Total</b>
a. Next five years		\$33,059,563	\$2,534,188	\$35,593,751
b. Next seven years		45,526,784	3,547,864	49,074,648
5. Unit credit normal cost plus expenses				736,831
6. Ratio of inactive participants to active participants				32.1

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

9.4%

**IV. Funding Standard Account**

1. Credit Balance as of the end of prior year				(\$59,985,527)
2. Years to projected funding deficiency				1

**V. Projected Year of Emergence**

N/A

**VI. Years to Projected Insolvency**

2

**VII. Year Projected to be in Critical Status (based on test C10. in Exhibit I), if within next five years**

N/A



**Actuarial Status Certification as of July 1, 2019 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

EIN 94-6052228 / PN 001

**EXHIBIT III  
Funding Standard Account Projections**

The table below presents the Funding Standard Account Projections for the Plan Years beginning July 1.

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
1. Credit balance (BOY)	(\$49,134,726)	(\$59,985,527)	(\$71,195,162)	(\$82,755,505)	(\$94,677,514)	(\$106,972,477)
2. Interest on (1)	(1,474,042)	(1,799,566)	(2,135,855)	(2,482,665)	(2,840,325)	(3,209,174)
3. Normal cost	227,946	229,993	236,893	244,000	251,320	258,860
4. Administrative expenses	492,076	506,838	522,043	537,704	553,835	570,450
5. Net amortization charges	8,752,201	8,755,772	8,755,769	8,755,769	8,755,762	4,786,742
6. Interest on (3), (4) and (5)	284,166	284,778	285,441	286,125	286,828	168,482
7. Expected contributions	374,020	361,884	370,106	378,575	387,298	396,283
8. Interest on (7)	5,610	5,428	5,552	5,679	5,809	5,944
9. Full-funding limit credit	0	0	0	0	0	0
10. Credit balance (EOY): (1) + (2) – (3) – (4) – (5) – (6) + (7) + (8) + (9)	(\$59,985,527)	(\$71,195,162)	(\$82,755,505)	(\$94,677,514)	(\$106,972,477)	(\$115,563,958)
	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	
1. Credit balance (BOY)	(\$115,563,958)	(\$124,429,412)	(\$133,728,797)	(\$143,413,557)	(\$153,406,595)	
2. Interest on (1)	(3,466,919)	(3,732,882)	(4,011,864)	(4,302,407)	(4,602,198)	
3. Normal cost	266,626	274,625	282,864	291,350	300,091	
4. Administrative expenses	587,564	605,191	623,347	642,047	661,308	
5. Net amortization charges	4,786,737	4,933,579	5,020,153	5,020,151	5,020,149	
6. Interest on (3), (4) and (5)	169,228	174,402	177,791	178,606	179,446	
7. Expected contributions	405,537	415,068	424,886	434,998	445,414	
8. Interest on (7)	6,083	6,226	6,373	6,525	6,681	
9. Full-funding limit credit	0	0	0	0	0	
10. Credit balance (EOY): (1) + (2) – (3) – (4) – (5) – (6) + (7) + (8) + (9)	(\$124,429,412)	(\$133,728,797)	(\$143,413,557)	(\$153,406,595)	(\$163,717,692)	

**Actuarial Status Certification as of July 1, 2019 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

EIN 94-6052228 / PN 001

**EXHIBIT IV**

**Funding Standard Account – Projected Bases Assumed Established After July 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>
Experience (Gain)/Loss	7/ 1/2019	\$43,899	15	\$3,570

**Actuarial Status Certification as of July 1, 2019 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

EIN 94-6052228 / PN 001

**EXHIBIT V  
Solvency Projection**

The table below presents the projected Market Value of Assets for the Plan Years beginning July 1, 2018 through 2020.

	<b>Year Beginning July 1,</b>		
	<b>2018</b>	<b>2019</b>	<b>2020</b>
1. Market Value at beginning of year	\$19,943,359	\$13,429,777	\$6,579,629
2. Contributions <sup>1</sup>	374,020	361,884	370,106
3. Benefit payments <sup>2</sup>	6,838,203	6,993,433	7,055,978
4. Administrative expenses	480,387	515,000	530,450
5. Interest earnings	<u>430,988</u>	<u>296,401</u>	<u>89,871</u>
6. Market Value at end of year: (1)+(2)-(3)-(4)+(5)	\$13,429,777	\$6,579,629	\$0
7. Available resources: (1)+(2)-(4)+(5)	\$20,267,980	\$13,573,062	\$6,509,156

<sup>1</sup> Includes estimated withdrawal liability payments

<sup>2</sup> The projected benefit payments shown above are based on a closed group, i.e., not reflecting new participants entering the plan. If such new entrants were reflected, in our judgment, this would not change the year of projected insolvency, under the assumptions used. This projection is not intended to be used for any purpose other than this certification.

**EXHIBIT VI**

**Actuarial Assumptions and Methodology**

The actuarial assumptions and plan of benefits are as used in the July 1, 2018 actuarial valuation certificate, dated April 18, 2019, 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.

**Contributions:**

For participants covered under the Default Schedule of the Rehabilitation Plan, the contribution rate is 10% of Basic Weekly Wage Rates.

For participants covered under the Alternative Schedule of the Rehabilitation Plan, the contribution rate is 15% of Basic Weekly Wage Rates.

Contributions in excess of 7% of wages shall not be recognized in determining participants' benefit accruals.

The projected contributions also reflect the following anticipated withdrawal liability payments:

<b>Plan Year Ending 6/30</b>	<b>Amount</b>
2020 through 2022	\$87,812

**Asset Information:**

The financial information as of June 30, 2019 was based on an unaudited financial statement provided by the Fund Administrator.

For projections after June 30, 2019, the assumed administrative expenses were increased by 3% per year and the benefit payments were projected based on the July 1, 2018 actuarial valuation. The projected net investment return was assumed to be 3.0% 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.

**Actuarial Status Certification as of July 1, 2019 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

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EIN 94-6052228 / PN 001

**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 is assumed to be 48 during the projection period. On the average, contributions will be made for each active for 49 weeks each year.

**Future Normal Costs:**

The Unit Credit Normal Cost for 2018-2019 is assumed to decline, as a result of the contraction to 48 actives from the above projected industry activity. Normal Costs are also expected to increase by 3% per year to reflect higher salaries used for benefit contributions.

**EXHIBIT VII**

**Documentation Regarding Scheduled Progress Under Rehabilitation Plan**

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Based on the Rehabilitation Plan in effect as of June 30, 2019, the applicable standard for July 1, 2019, was that for no projected insolvency until after June 30, 2019, using the plan provisions, assumptions/methods, and contribution levels that form the basis of this certification.

Our projections based on this certification indicate the plan will become insolvent during the 2020-2021 Plan Year. Therefore, the annual standard is met.

5598024v2/00679.029

# San Francisco Lithographers Pension Trust

**Actuarial Valuation and Review as of July 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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May 25, 2021

Board of Trustees  
San Francisco Lithographers Pension Trust  
Alameda, CA

Dear Trustees:

We are pleased to submit the Actuarial Valuation and Review as of July 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 Kate Berry. That assistance is gratefully acknowledged. The actuarial calculations were completed under the supervision of Paul C. Poon, ASA, 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:   
\_\_\_\_\_  
Harold S. Cooper, FSA, MAAA, EA  
Senior Vice President & Actuary

cc: Kate Berry  
Kate Buffo  
Sun Chang, Esq.  
Patricia Davis, Esq.  
Catherine Gardner, CPA

PXP/hy





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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. A separate report is available.

## 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.

# Section 1: Trustee Summary

## Summary of key valuation results

Plan Year Beginning		July 1, 2019	July 1, 2020
<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>52</p> <p>628</p> <p>896</p> <p>1,576</p> <p>29.31</p>	<p>50</p> <p>598</p> <p>881</p> <p>1,529</p> <p>29.58</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> </ul>	<p>\$13,429,778</p> <p>13,429,778</p> <p>2.62%</p> <p>2.62%</p>	<p>\$6,733,749</p> <p>6,733,749</p> <p>1.03%</p> <p>1.03%</p>
<b>Cash Flow:</b>		<b>Actual 2019</b>	<b>Projected 2020</b>
	<ul style="list-style-type: none"> <li>• Contributions</li> <li>• Withdrawal liability payments</li> <li>• Benefit payments</li> <li>• Administrative expenses</li> <li>• Net cash flow (ignoring withdrawal liability payments for 2020)</li> <li>• Cash flow as a percentage of MVA</li> </ul>	<p>\$276,441</p> <p>87,812</p> <p>-6,656,505</p> <p>-507,082</p> <p><u><b>-\$6,799,334</b></u></p> <p>-50.6%</p>	<p>\$280,499</p> <p>Not available</p> <p>-7,225,772</p> <p>-500,000</p> <p><u><b>-\$7,445,273</b></u></p> <p>-110.6%</p>

## Section 1: Trustee Summary

### Summary of key valuation results

Plan Year Beginning		July 1, 2019	July 1, 2020
<b>Actuarial Liabilities based on Unit Credit:</b>	• Valuation interest rate	3.00%	3.00%
	• Normal cost, including administrative expenses	\$731,783	\$692,391
	• Actuarial accrued liability	137,281,382	135,188,709
	• Unfunded actuarial accrued liability	123,851,604	128,454,960
<b>Funded Percentages:</b>	• Actuarial accrued liabilities under unit credit method	\$137,281,382	\$135,188,709
	• MVA funded percentage	9.8%	5.0%
	• AVA funded percentage (PPA basis)	9.8%	5.0%
<b>Statutory Funding Information:</b>	• Funding deficiency at the end of prior plan year	-\$59,985,527	-\$70,763,573
	• Minimum required contribution	71,133,290	82,236,304
	• Maximum deductible contribution	189,154,112	201,599,104

## Section 1: Trustee Summary

This July 1, 2020 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 values on the last day of the Plan Year. While it is impossible to determine how economic conditions will change in the future, Segal is available to prepare projections of potential outcomes upon request. This report does not reflect the enactment of the American Rescue Plan Act of 2021 (ARPA) on March 11, 2021. We anticipate clarification of ARPA based on regulations to be issued by the Pension Benefit Guaranty Corporation, including potential financial assistance that may be available to certain critical status and insolvent multiemployer pension plans. Decisions that the Trustees may make to elect options available to them that might affect the Plan's minimum funding requirements for the current year will be reflected in a revised report or future actuarial valuation. The current year's actuarial valuation results follow.

### A. Developments since last valuation

The following are developments since the last valuation, from July 1, 2019 to July 1, 2020.

1. *Participant demographics:* The number of active participants decreased 3.8% from 52 to 50. The ratio of non-active to active participants, which is one measure of plan maturity, increased from 29.31 to 29.58.
2. *Plan assets:* The net investment return on the actuarial and market value of assets was 1.03%. For comparison, the assumed rate of return on plan assets is 3.00%. The change in the market value of assets over the last two plan years can be found in Section 3.
3. *Cash flows:* Cash inflow includes contributions and withdrawal liability payments, and cash outflow includes benefits paid to participants and administrative expenses. In the plan year ending June 30, 2020, the plan had a net cash outflow of \$6.8 million, or about -50.6% of assets on a market value basis. For the current year, the net cash flow is expected to be -110.6%, and the plan is expected to become insolvent during the year.



## Section 1: Trustee Summary

### B. Actuarial valuation results

The following commentary applies to various funding measures for the current plan year.

1. 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 projected funding standard account (FSA) deficiency within 1 year and the projected insolvency within 15 years. Please refer to the actuarial certification dated September 28, 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 9.8% to 5.0%. 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 \$59,985,527 to \$70,763,573. The increase in the funding deficiency was due to the fact that contributions fell short of the net charges in the FSA for the plan year. For the current plan year, the minimum required contribution is \$82,236,304, compared with \$280,499 in expected contributions.
4. *Funding concerns:* The impending plan insolvency needs prompt attention. The Trustees have directed plan professionals to assist in obtaining PBGC assistance to provide the PBGC guarantee benefit to plan participants and in obtaining the special financial assistance under ARPA once guidance is available.





## Section 1: Trustee Summary

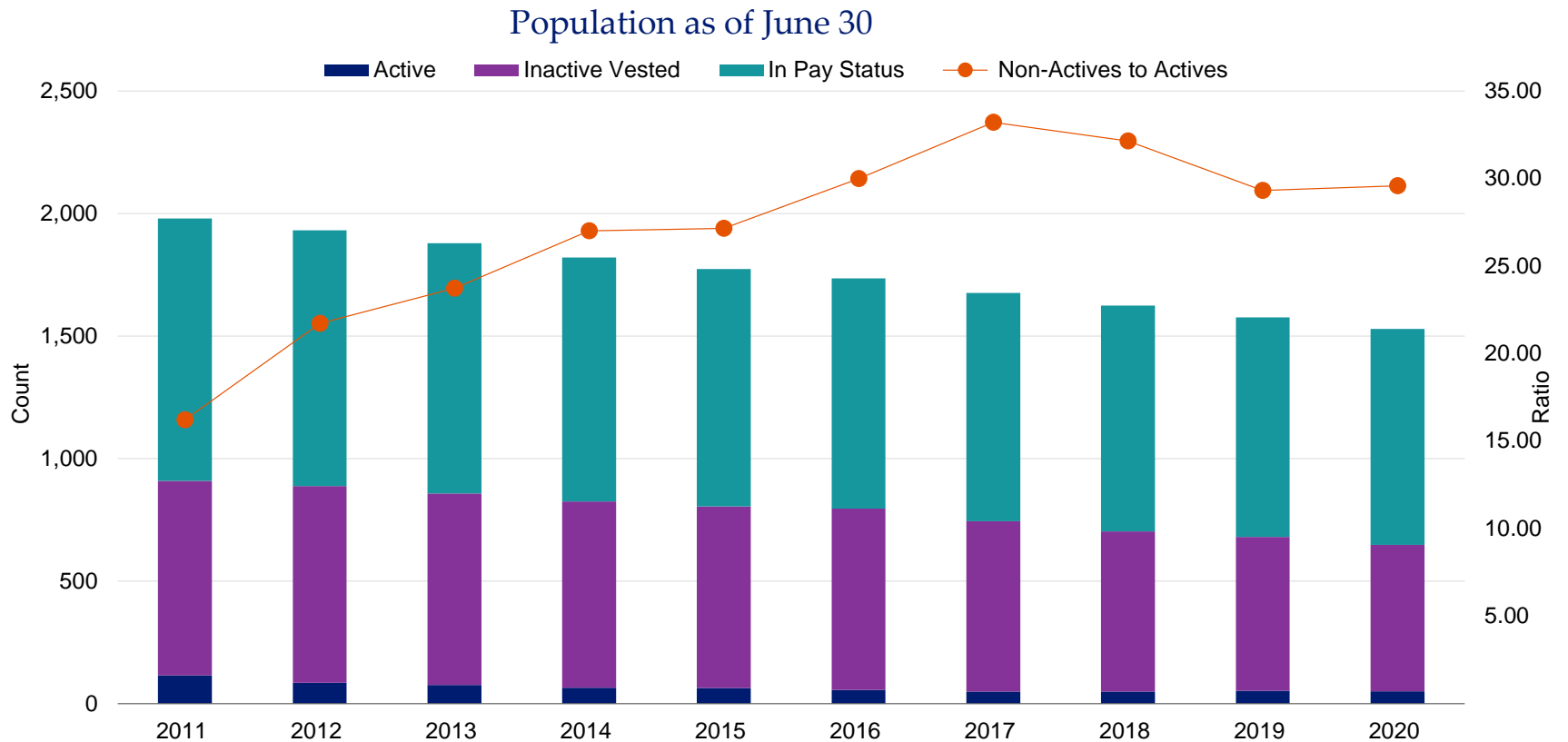
### C. Projections and risk

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.
2. *Baseline projections:* Based on the actuarial assumptions included in this report, including an investment return assumption of 3.00% per year and level future covered employment, the Plan is expected to become insolvent during the current plan year.
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 not meeting its funding objectives or may face eventual insolvency. Due to the Plan's projected insolvency and asset allocation, the Plan has limited risk.



# Section 2: Actuarial Valuation Results

## Participant information

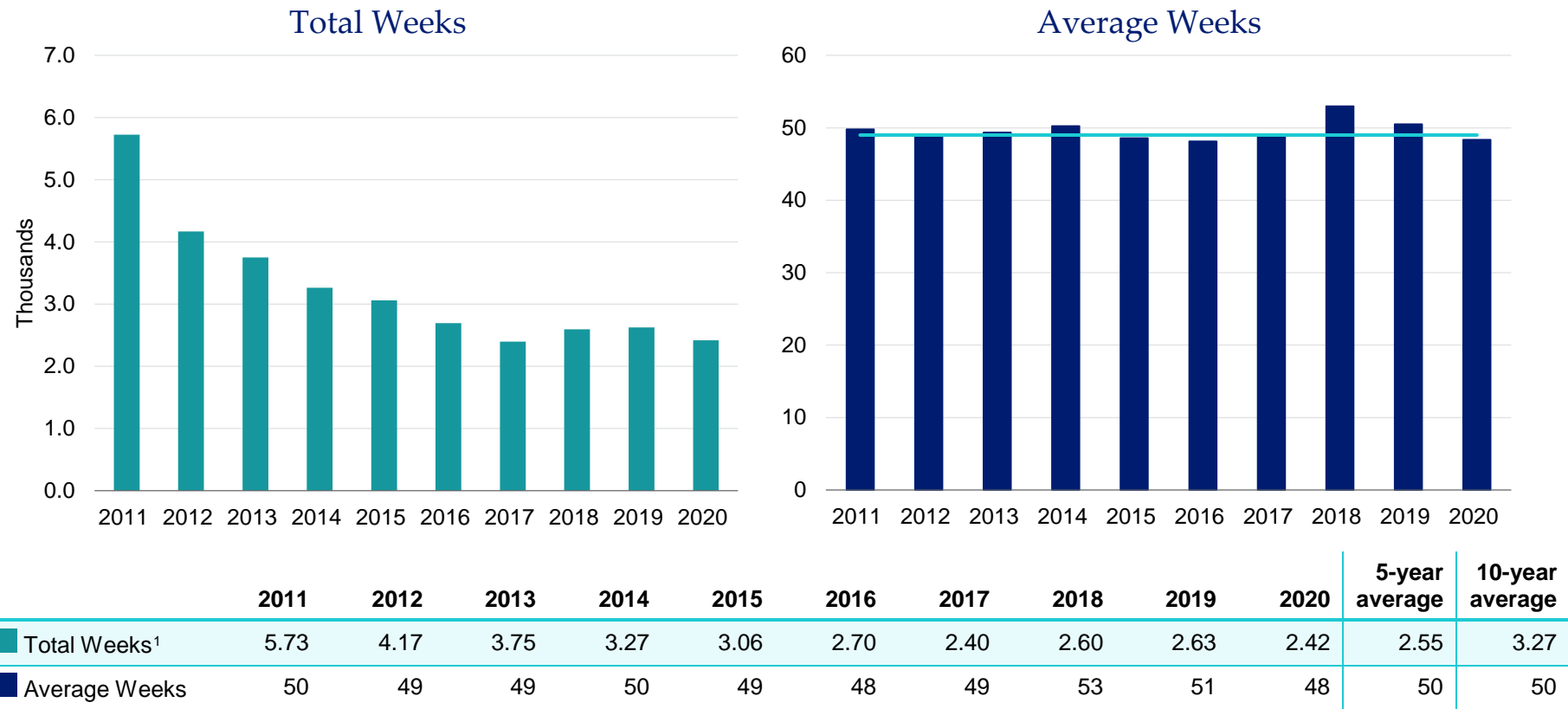


	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
In Pay Status	1,070	1,043	1,022	995	968	939	932	921	896	881
Inactive Vested	794	803	781	760	742	740	695	654	628	598
Active	115	85	76	65	63	56	49	49	52	50
Ratio	16.21	21.72	23.72	27.00	27.14	29.98	33.20	32.14	29.31	29.58

## Section 2: Actuarial Valuation Results

### Historical employment

- The 2020 zone certification was based on an industry activity assumption of 48 actives, with contributions made for each active for 49 weeks per year.
- The valuation is based on 50 actives and an employment projection of 49 weeks.



<sup>1</sup> In thousands

## Section 2: Actuarial Valuation Results

### Financial information

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1	Actuarial/market value of assets as of June 30, 2020	\$6,733,749
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## 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 to expected to continue, assumptions are changed.

#### Experience for the Year Ended June 30, 2020

1	Loss from investments	-\$197,598
2	Loss from administrative expenses	-7,179
3	Net loss from other experience (0.2% of projected accrued liability)	<u>-299,011</u>
4	<b>Net experience loss: 1 + 2 + 3</b>	<b><u>-\$503,788</u></b>

## Section 2: Actuarial Valuation Results

### Investment experience

#### Loss from Investments

1	Average actuarial value of assets	\$10,030,111
2	Assumed rate of return	3.00%
3	Expected net investment income: <b>1 x 2</b>	\$300,903
4	Net investment income (1.03% actual rate of return)	<u>103,305</u>
5	<b>Actuarial loss from investments: 4 – 3</b>	<b><u>-\$197,598</u></b>

### Administrative expenses

- Administrative expenses for the year ended June 30, 2020 totaled \$507,082, as compared to the assumption of \$500,000.

### Other experience

- The net loss 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)

## 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 rates

- The average weekly wage rate increased from \$1,088 in 2019 to \$1,101 in 2020.
- The average contribution rate remained at 10.4% of salary for 2020.

## Section 2: Actuarial Valuation Results

### Plan funding

#### Comparison of Funded Percentages

Plan Year Beginning	July 1, 2019		July 1, 2020	
<b>Market Value of Assets</b>	<b>\$13,429,778</b>		<b>\$6,733,749</b>	
	<b>Amount</b>	<b>Funded %</b>	<b>Amount</b>	<b>Funded %</b>
• Funding interest rate		3.00%		3.00%
• Present value (PV) of future benefits	\$139,036,485	9.7%	\$136,820,003	4.9%
• Actuarial accrued liability <sup>1</sup>	137,281,382	9.8%	135,188,709	5.0%
• PV of accumulated plan benefits (PVAB)	137,281,382	9.8%	135,188,709	5.0%
• Current liability interest rate		3.07%		2.68%
• Current liability	\$142,064,795	9.5%	\$146,526,211	4.6%
<b>Actuarial Value of Assets</b>	<b>\$13,429,778</b>		<b>\$6,733,749</b>	
	<b>Amount</b>	<b>Funded %</b>	<b>Amount</b>	<b>Funded %</b>
• Funding interest rate		3.00%		3.00%
• PV of future benefits	\$139,036,485	9.7%	\$136,820,003	4.9%
• Actuarial accrued liability <sup>1</sup>	137,281,382	9.8%	135,188,709	5.0%
• PPA'06 liability and annual funding notice	137,281,382	9.8%	135,188,709	5.0%

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> Based on Unit Credit actuarial cost method.



## 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 there was a projected deficiency in the FSA within one year and a projected insolvency within 15 years.
- In addition, the Plan is making the scheduled progress in meeting the requirements of its Rehabilitation Plan.

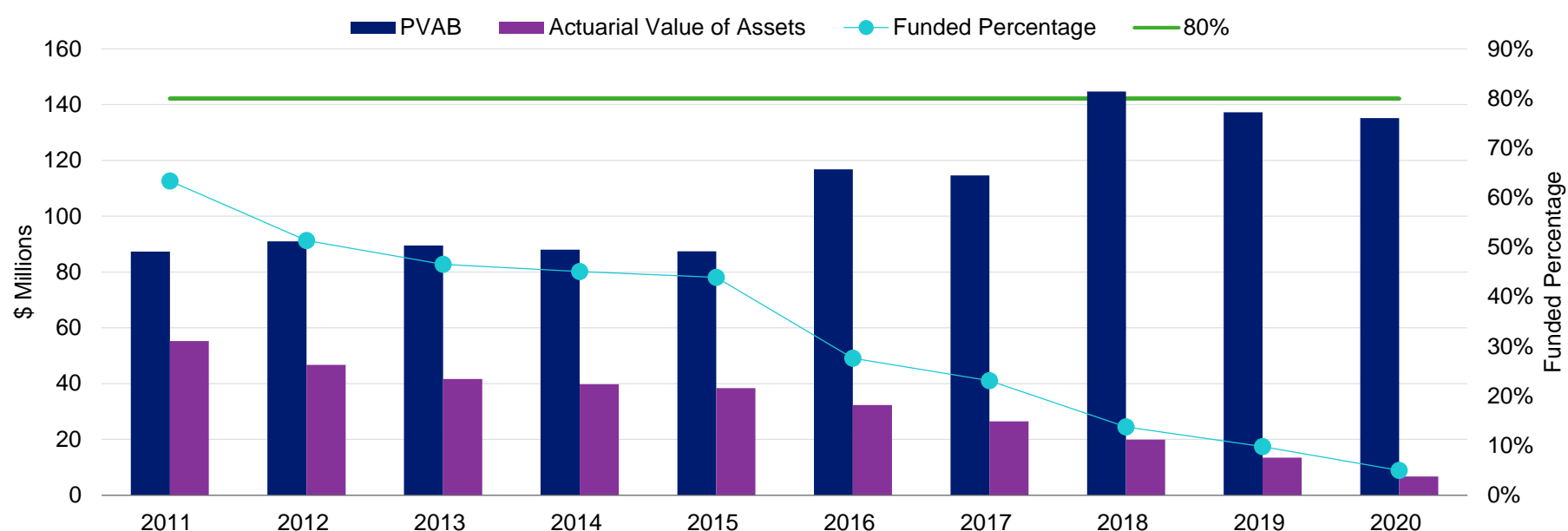
#### Rehabilitation Plan

- The Trustees have designed a Rehabilitation Plan to forestall plan insolvency.
- The Rehabilitation Plan includes two “schedules” of proposed changes in benefits and contribution levels:
  - A “default” schedule that reduces benefits to the maximum extent permitted by law, including the elimination of early retirement benefits, and increases contribution rates.
  - A “preferred” schedule that has the same benefit reductions as the default schedule except it allows for the Supplemental Early Retirement Benefit (up to \$600 per month) for retirements prior to June 30, 2013 and for an unsubsidized Early Retirement Benefit. The preferred schedule also calls for higher contribution rates.
- These schedules were provided to the bargaining parties as required.
- Collective bargaining agreements were renewed for all active participants to adopt one of the schedules. For inactive vested participants, the Rehabilitation Plan calls for benefit reductions based on the default schedule.
- Section 432(e)(3)(B) requires that the Trustees annually update the Rehabilitation Plan and Schedules. Segal will continue to assist the Trustees to evaluate and update the Rehabilitation Plan and to prepare the required assessment of Scheduled Progress.

## 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	Critical	Critical	Critical	Critical	Critical & Declining	Critical & Declining	Critical & Declining	Critical & Declining	Critical & Declining	Critical & Declining
PVAB <sup>1</sup>	\$87.29	\$90.98	\$89.52	\$88.07	\$87.44	\$116.95	\$114.61	\$144.71	\$137.28	\$135.19
AVA <sup>1</sup>	55.30	46.74	41.69	39.74	38.40	32.28	26.45	19.94	13.43	6.73
Funded %	63.4%	51.4%	46.6%	45.1%	43.9%	27.6%	23.1%	13.8%	9.8%	5.0%

<sup>1</sup> In millions

## Section 2: Actuarial Valuation Results

### Solvency projection

- PPA'06 requires Trustees to monitor plan solvency - the ability to pay benefits and expenses when due.
- The Plan is operating under a Rehabilitation Plan that is intended to forestall insolvency.
- This Plan was certified as critical and declining based on a projected insolvency within the year.
- Based on this valuation, assets are still projected to be exhausted during the current plan year.

## Section 2: Actuarial Valuation Results

### Risk

- The actuarial valuation results are dependent on a single set of assumptions. Typically, there is a risk that emerging results may differ significantly as actual experience proves to be different from the current assumptions. However, due to the Plan's projected insolvency and asset allocation, the Plan has limited risk.

## 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

May 25, 2021

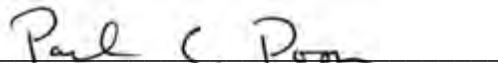
## Certificate of Actuarial Valuation

This is to certify that Segal has prepared an actuarial valuation of the San Francisco Lithographers Pension Trust as of July 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 draft 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. 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.



Paul C. Poon, ASA, MAAA, EA  
Vice President & Actuary  
Enrolled Actuary No. 20-06069

## 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 June 30		Change from Prior Year
	2019	2020	
<b>Participants in Fund Office tabulation</b>	55	52	-5.5%
Less: Participants with less than one Year of Credit	3	2	N/A
<b>Active participants in valuation:</b>			
• Number	52	50	-3.8%
• Average age	52.4	53.2	0.8
• Average Years of Credit	20.2	21.2	1.0
• Average weekly wage rate for upcoming year	\$1,088	\$1,101	1.2%
• Average contribution rate for upcoming year	10.4%	10.4%	0.0%
• Number with unknown age	5	0	-100.0%
• Total active vested participants	44	42	-4.5%
<b>Inactive participants with rights to a pension:</b>			
• Number	628	598	-4.8%
• Average age	58.7	59.3	0.6
• Average monthly benefit	\$662	\$663	0.2%
<b>Pensioners:</b>			
• Number in pay status	779	758	-2.7%
• Average age	77.6	77.8	0.2
• Average monthly benefit	\$667	\$677	1.5%
<b>Beneficiaries:</b>			
• Number in pay status	117	123	5.1%
• Average age	78.9	79.1	0.2
• Average monthly benefit	\$243	\$256	5.3%
<b>Total participants</b>	<b>1,576</b>	<b>1,529</b>	<b>-3.0%</b>



## Section 3: Certificate of Actuarial Valuation

### Exhibit B: Actuarial Factors for Minimum Funding

	2019	2020
Interest rate assumption	3.00%	3.00%
Normal cost, including administrative expenses	\$731,783	\$692,391
Actuarial present value of projected benefits	\$139,036,485	\$136,820,003
Present value of future normal costs	1,755,103	1,631,294
<b>Actuarial accrued liability</b>	<b>\$137,281,382</b>	<b>\$135,188,709</b>
• Pensioners and beneficiaries	\$65,291,137	\$64,352,299
• Inactive participants with vested rights	62,430,032	61,074,222
• Active participants	9,560,213	9,762,188
Actuarial value of assets (AVA)	\$13,429,778	\$6,733,749
Market value as reported by Miller, Kaplan, Arase & Co., LLP (MVA)	13,429,778	6,733,749
Unfunded actuarial accrued liability based on AVA	123,851,604	128,454,960

## Section 3: Certificate of Actuarial Valuation

### Exhibit C: Summary Statement of Income and Expenses on a Market Value Basis

	Year Ended June 30, 2019	Year Ended June 30, 2020
<b>Contribution income:</b>		
• Employer contributions	\$286,208	\$276,441
• Withdrawal liability payments	<u>87,812</u>	<u>87,812</u>
<i>Contribution income</i>	\$374,020	\$364,253
<b>Net investment income</b>	<b>430,988</b>	<b>103,305</b>
<b>Total income available for benefits</b>	<b>\$805,008</b>	<b>\$467,558</b>
<b>Less benefit payments and expenses:</b>		
• Pension benefits	-\$6,838,203	-6,656,505
• Administrative expenses	<u>-480,386</u>	<u>-507,082</u>
<i>Total benefit payments and expenses</i>	-\$7,318,589	-\$7,163,587
<b>Market value of assets</b>	<b>\$13,429,778</b>	<b>\$6,733,749</b>

## Section 3: Certificate of Actuarial Valuation

### Exhibit D: Information on Plan Status as of July 1, 2020

Plan status (as certified on September 28, 2020, for the 2020 zone certification)	<b><i>Critical and Declining</i></b>
Scheduled progress (as certified on September 28, 2020, for the 2020 zone certification)	Yes
Actuarial value of assets for FSA	\$6,733,749
Accrued liability under unit credit cost method	135,188,709
Funded percentage for monitoring plan's status	5.0%
Reduction in unit credit accrued liability benefits since the prior valuation date resulting from the reduction in adjustable benefits	\$0
Year in which insolvency is expected	July 1, 2020 – June 30, 2021

#### Annual Funding Notice for Plan Year Beginning July 1, 2020 and Ending June 30, 2021

	<b>2020 Plan Year</b>	<b>2019 Plan Year</b>	<b>2018 Plan Year</b>
Actuarial valuation date	July 1, 2020	July 1, 2019	July 1, 2018
Funded percentage	5.0%	9.8%	13.8%
Value of assets	\$6,733,749	\$13,429,778	\$19,943,359
Value of liabilities	135,188,709	137,281,382	144,707,635
Market value of assets as of plan year end	Not available	6,733,749	13,429,778

### Critical, Critical and Declining or Endangered Status

The Plan was in critical and declining status in the plan year because there was a projected Funding Standard Account deficiency within 1 year and a projected insolvency within 15 years.

## 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	\$7,225,772
2021	7,130,225
2022	7,154,996
2023	7,234,042
2024	7,272,594
2025	7,479,545
2026	7,659,562
2027	7,729,360
2028	7,675,168
2029	7,572,390

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.
- Does not reflect reduced benefits due to plan insolvency.

## 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 June 30, 2020.

Age	Years of Credit									
	Total	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 & over
Under 25	1	1	–	–	–	–	–	–	–	–
25 - 29	1	1	–	–	–	–	–	–	–	–
30 - 34	2	2	–	–	–	–	–	–	–	–
35 - 39	3	1	1	1	–	–	–	–	–	–
40 - 44	5	–	3	2	–	–	–	–	–	–
45 - 49	3	2	–	–	–	1	–	–	–	–
50 - 54	4	1	–	–	1	–	1	1	–	–
55 - 59	18	–	1	3	1	–	5	5	2	1
60 - 64	10	–	1	–	1	–	3	–	3	2
65 - 69	3	–	–	–	–	–	2	–	–	1
<b>Total</b>	<b>50</b>	<b>8</b>	<b>6</b>	<b>6</b>	<b>3</b>	<b>1</b>	<b>11</b>	<b>6</b>	<b>5</b>	<b>4</b>

Note: Excludes 2 participants with less than one Year of 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 and withdrawal liability payments.
- 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.

	June 30, 2020	June 30, 2021
<b>1</b> Prior year funding deficiency	\$59,985,527	\$70,763,573
<b>2</b> Normal cost, including administrative expenses	731,783	692,391
<b>3</b> Amortization charges	9,219,496	9,260,466
<b>4</b> Interest on <b>1, 2 and 3</b>	<u>2,098,104</u>	<u>2,421,493</u>
<b>5</b> Total charges	\$72,034,910	\$83,137,923
<b>6</b> Prior year credit balance	\$0	\$0
<b>7</b> Employer contributions	364,253	TBD
<b>8</b> Amortization credits	875,359	875,358
<b>9</b> Interest on <b>6, 7 and 8</b>	31,725	26,261
<b>10</b> Full funding limitation credits	<u>0</u>	<u>0</u>
<b>11</b> Total credits	\$1,271,337	\$901,619
<b>12</b> Credit balance/(Funding deficiency): <b>11 - 5</b>	<b>-\$70,763,573</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	\$82,236,304

## Section 3: Certificate of Actuarial Valuation

### Full Funding Limitation (FFL) and Credits for Plan Year July 1, 2020

ERISA FFL (accrued liability FFL)	\$133,021,772
RPA'94 override (90% current liability FFL)	129,928,693
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
Combined Base	07/01/2014	\$11,563,633	3	\$3,969,025
Change in Assumptions	07/01/2015	64,964	10	7,394
Experience Loss	07/01/2016	1,188,325	11	124,690
Change in Assumptions	07/01/2016	24,026,464	11	2,521,086
Experience Loss	07/01/2018	483,681	13	44,156
Change in Assumptions	07/01/2018	27,967,155	13	2,553,144
Experience Loss	07/01/2020	503,788	15	40,971
<b>Total</b>		<b>\$65,798,010</b>		<b>\$9,260,466</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
Change in Asset Method	07/01/2015	\$692,667	5	\$146,842
Experience Gain	07/01/2015	1,286,625	10	146,439
Change in Funding Method	07/01/2016	483,077	6	86,577
Change In Assumptions	07/01/2017	264,061	12	25,755
Experience Gain	07/01/2017	632,379	12	61,680
Experience Gain	07/01/2019	3,246	14	279
Change In Assumptions	07/01/2019	4,744,568	14	407,786
<b>Total</b>		<b>\$8,106,623</b>		<b>\$875,358</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	\$143,340,822
2	140% of current liability	200,677,151
3	Actuarial value of assets, projected to the end of the plan year	-921,953
4	<b>Maximum deductible contribution: 2 - 3</b>	<b>\$201,599,104</b>

## Section 3: Certificate of Actuarial Valuation

### Exhibit I: Current Liability

The table below presents the current liability for the Plan Year beginning July 1, 2020.

Item <sup>1</sup>	Number of Participants	Current Liability
Interest rate assumption		2.68%
Retired participants and beneficiaries receiving payments	881	\$69,422,093
Inactive vested participants	598	66,483,799
Active participants		
• Non-vested benefits		39,390
• Vested benefits		10,580,929
• Total active	<u>50</u>	<u>\$10,620,319</u>
<b>Total</b>	<b>1,529</b>	<b>\$146,526,211</b>
Expected increase in current liability due to benefits accruing during the plan year		\$221,073
Expected release from current liability for the plan year		7,242,243
Expected plan disbursements for the plan year, including administrative expenses of \$500,000		7,742,243
Current value of assets		\$6,733,749
Percentage funded for Schedule MB		4.59%

<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 July 1, 2019 and as of July 1, 2020. In addition, a reconciliation between the two dates follows.

	Benefit Information Date	
	July 1, 2019	July 1, 2020
Actuarial present value of vested accumulated plan benefits:		
• Participants currently receiving payments	\$65,291,137	\$64,352,299
• Other vested benefits	<u>71,974,101</u>	<u>70,802,130</u>
• Total vested benefits	\$137,265,238	\$135,154,429
Actuarial present value of non-vested accumulated plan benefits	<u>16,144</u>	<u>34,280</u>
<b>Total actuarial present value of accumulated plan benefits</b>	<b>\$137,281,382</b>	<b>\$135,188,709</b>

Factors	Change in Actuarial Present Value of Accumulated Plan Benefits
Benefits accumulated, net experience gain or loss, changes in data	\$545,238
Benefits paid	-6,656,505
Interest	4,018,594
<b>Total</b>	<b>-\$2,092,673</b>

## Section 3: Certificate of Actuarial Valuation

### Exhibit K: Statement of Actuarial Assumptions, Methods and Models

(Schedule MB, Line 6)

#### Mortality Rates

*Preretirement:* Pri-2012 Employee Blue Collar Amount-weighted Mortality Table with generational projection using Scale MP-2019.

*Postretirement:* Pri-2012 Blue Collar Healthy Retiree Amount-weighted Mortality Table with generational projection using scale MP-2019.

The underlying tables with generational projection to the ages of 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 future mortality improvement between the measurement date and those 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 assumption over the most recent 5 years.

#### Annuitant Mortality Rates

Age	Rate (%) <sup>1</sup>	
	Healthy	
	Male	Female
55	0.64	0.49
60	0.93	0.71
65	1.27	1.08
70	2.05	1.64
75	3.33	2.62
80	5.72	4.35
85	9.78	4.49
90	16.54	13.05

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

## Section 3: Certificate of Actuarial Valuation

Termination Rates	Rate (%)				
	Age	Males		Females	
		Mortality <sup>1</sup>	Withdrawal <sup>2</sup>	Mortality <sup>1</sup>	Withdrawal <sup>2</sup>
	20	0.07	9.94	0.02	11.94
	25	0.07	9.67	0.03	11.62
	30	0.07	9.30	0.03	11.21
	35	0.07	8.71	0.04	10.55
	40	0.09	7.75	0.06	9.40
	45	0.12	6.35	0.09	7.54
	50	0.18	4.22	0.13	4.83
	55	0.28	1.55	0.20	1.73
	60	0.44	0.15	0.30	0.16

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

<sup>2</sup> Withdrawal rates do not apply at retirement eligibility.

The termination rates were based on historical and current demographic data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of terminations and the projected number based on the assumption over the most recent 5 years.

<b>Retirement Rate for Active and Inactive Vested Participants</b>	Age 65 The retirement rate was based on historical and current data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of retirements and the projected number based on the assumption over the most recent 5 years.
<b>Description of Weighted Average Retirement Age</b>	Age 65.0, 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 this actuarial valuation.
<b>Future Service Accruals</b>	49 weeks per year The future service accruals were based on historical and current data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, a comparison was made between the assumed and the actual benefit accruals over the most recent 5 years

## Section 3: Certificate of Actuarial Valuation

<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 10 weeks worked in the most recent plan year and who have accumulated at least one Year of Credit, excluding those who have retired as of the valuation date.
<b>Exclusion of Inactive Participants</b>	Inactive participants over age 75 are excluded from the valuation (14 excluded in this valuation). The exclusion of inactive vested participants over age 75 was based on historical and current data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, the ages of new retirees from inactive vested status were reviewed.
<b>Percent Married</b>	70%
<b>Age of Spouse</b>	Spouses of male participants are four years younger and spouses of females participants are four years older.
<b>Benefit Election</b>	For future retirements, married participants are assumed to elect the 75% Joint and Survivor Option (“QOSA”) and non-married participants are assumed to elect the Single Life Annuity. The benefit elections were based on historical and current demographic data, adjusted to reflect the plan design, estimated future experience and professional judgment.
<b>Delayed Retirement Factors</b>	Inactive vested participants who are assumed to commence receipt of benefits after attaining normal retirement age qualify for delayed retirement increases.
<b>Net Investment Return</b>	3.00% The net investment return assumption is an 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 Segal Marco Advisors, as well as the Plan’s target asset allocation.
<b>Annual Administrative Expenses</b>	\$500,000, payable monthly (equivalent to \$492,076 payable at the beginning of the year) or 245.7% of Normal Cost. The annual administrative expenses were based on historical and current data, adjusted to reflect estimated future experience and professional judgment.
<b>Actuarial Value of Assets</b>	At 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>	Interest: 2.68%, within the permissible range prescribed under IRC Section 431(c)(6)(E) Mortality: Mortality prescribed under IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1: RP-2014 employee and annuitant mortality tables, adjusted backward to the base year (2006) using scale MP-2014, projected forward generationally using scale MP-2018 (previously, the MP-2017 scale was used).

## Section 3: Certificate of Actuarial Valuation

<b>Estimated Rate of Investment Return</b>	<i>On actuarial value of assets (Schedule MB, line 6g): 1.0%, for the Plan Year ending June 30, 2020</i> <i>On current (market) value of assets (Schedule MB, line 6h): 1.0%, for the Plan Year ending June 30, 2020</i>
<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 Funding Standard Account is therefore assumed to be equivalent to a January 1 <sup>st</sup> 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 3.07% to 2.68% 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.

## 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>	July 1 through June 30
<b>Pension Credit Year</b>	July 1 through June 30
<b>Plan Status</b>	Ongoing plan
<b>Normal Retirement Pension</b>	<ul style="list-style-type: none"><li>• <i>Age Requirement:</i> 65</li><li>• <i>Years of Credit Requirement:</i> 5 years</li><li>• <i>Amount:</i> 0.2083% of each year's Compensation through June 30, 1996; plus 3.472% of contributions made from July 1, 1996 to June 30, 2002; 2.97% of contributions made from July 1, 2002 to June 30, 2003; 1.50% of contributions made from July 1, 2003 to June 30, 2009; and 1.00% of contributions received thereafter.</li><li>• Effective July 1, 2009, benefits are earned for contributions up to 7.00% of compensation.</li></ul>
<b>Early Retirement Pension</b>	<ul style="list-style-type: none"><li>• <i>Age Requirement:</i> 55</li><li>• <i>Years of Credit Requirement:</i> 10 years</li><li>• <i>Amount:</i> For participants covered under the Preferred Schedule of the Rehabilitation Plan, the Accrued Normal Retirement Pension is reduced from Normal Retirement Age, based on the GAM 94 (50%/50%) table and 7% interest rate. The Early Retirement Pension is not available for participants under the Default Schedule or to those with a One-Year Break in Service on June 30, 2009.</li></ul>
<b>Vesting</b>	<ul style="list-style-type: none"><li>• <i>Age Requirement:</i> None</li><li>• <i>Years of Credit Requirement:</i> 5 years</li><li>• <i>Amount:</i> Normal Retirement Pension amount accrued, payable commencing at Normal Retirement Age or, if eligible, on a reduced basis as early as age 55.</li></ul>
<b>Normal Retirement Age</b>	<ul style="list-style-type: none"><li>• The later of (a) the date the participant attains age 65 and (b) the earlier of the 5th anniversary of participation or the date the participant accrues 5 Years of Credit.</li></ul>

## Section 3: Certificate of Actuarial Valuation

<b>Spousal Annuity</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Years of Credit Requirement:</i> 5 years</li> <li>• <i>Amount:</i> 50% of the benefit that the participant would have received had they retired, the day before death, on a Joint and Survivor pension. If the participant was not yet eligible to retire at the time of death, the commencement of the spouse's benefit is deferred until the date he or she would have been eligible, based on service earned up to the time of death.</li> </ul>
<b>Joint and Survivor Pension</b>	<ul style="list-style-type: none"> <li>• Retirement benefits for married employees are paid in the form of a 50% joint and survivor annuity unless this form is rejected by the participant and spouse. The benefit amount payable is reduced to reflect the joint-and-survivor coverage. If this type of pension is rejected, or if the participant is unmarried, benefits are payable for the life of the participant (with a minimum guarantee of 120 monthly payments, provided this feature has not been eliminated pursuant to the Rehabilitation Plan) without reduction or in any other available optional form elected in an actuarially equivalent amount.</li> </ul>
<b>Optional Forms of Benefits</b>	<ul style="list-style-type: none"> <li>• Marital Annuity ("QJSA"- 50% joint and survivor annuity)</li> <li>• 75% joint and survivor annuity ("QOSA")</li> <li>• Single Life annuity (with 120-month guarantee provided only if it has not been eliminated pursuant to the Rehabilitation Plan)</li> </ul>
<b>Compensation</b>	Basic Weekly Wage Rate (annualized).
<b>Week of Service</b>	Any weekly pay period for which an employee is entitled to payment for actual performance of duties.
<b>Break-in-Service Rules</b>	<ul style="list-style-type: none"> <li>• <i>One-Year Break:</i> Commencing July 1, 1986, an employee incurs a One-Year Break-in-Service if the participant fails to earn at least 10 Weeks of Service in a Plan Year.</li> <li>• <i>Permanent Break:</i> A non-vested participant incurs a Permanent Break-in-Service if the number of consecutive One-Year Breaks-in-Service (including at least one after June 30, 1986) is at least 5 and equals or exceeds the number of full Years of Credited Service which the participant had previously accumulated. At this time all accumulated benefits are canceled.</li> </ul>
<b>Participation Rules</b>	<ul style="list-style-type: none"> <li>• <i>Participation:</i> An employee becomes a Participant at the beginning of his first week of service following a 52-week period containing 20 weeks of service.</li> <li>• <i>Termination of Participation:</i> A Participant who incurs a One-Year Break in Service ceases to be a Participant as of the last day of the Plan Year which constituted the One-Year Break-in-Service, unless the Participant has retired or attained vested rights.</li> </ul>
<b>Past Service Credit</b>	Up to 13 years for Covered Service before effective date of the Plan.
<b>Future Service Credit</b>	A participant who earns at least 20 Weeks of Service in a Plan Year receives a Year of Future Service Credit.
<b>Years of Credit</b>	Past and Future Service Credits.

## Section 3: Certificate of Actuarial Valuation

<b>Schedule of Contribution Rates</b>	As of July 1, 2020, the average contribution rate was 10.4% of compensation, of which 7.00% applies towards benefit accruals. The weekly wage rate varied from \$369 to \$2,500 with an average of \$1,101.
<b>Rehabilitation Plan Schedules</b>	<ul style="list-style-type: none"><li>• The Rehabilitation Plan includes the following two schedules of plan changes:<ul style="list-style-type: none"><li>• For participants covered under the Default Schedule,<ul style="list-style-type: none"><li>– the Early Retirement Benefit was eliminated,</li><li>– the subsidy on the Qualified Joint and Survivor Annuities was eliminated,</li><li>– the 120-month guarantee on the Single Life Annuity was eliminated,</li><li>– the Pre-Retirement Death Benefit was eliminated, and</li><li>– the Supplemental Early Retirement Pension was eliminated.</li></ul></li><li>• For participants covered under the Preferred Schedule,<ul style="list-style-type: none"><li>– the subsidy on the Early Retirement Benefit was eliminated,</li><li>– the subsidy on the Qualified Joint and Survivor Annuities was eliminated,</li><li>– the 120-month guarantee on the Single Life Annuity was eliminated,</li><li>– the Pre-Retirement Death Benefit was eliminated, and</li><li>– the Supplemental Early Retirement Benefit is limited to \$600 per month and is not available for those who retire after June 30, 2013.</li></ul></li></ul></li></ul>
<b>Plan Amendment</b>	The valuation reflects Rehabilitation Plan schedules that have been renegotiated into CBAs by the valuation date. There were no changes since the prior year.

# Section 4: General Background

A summary of major developments in connection with the Fund's background and position is provided in this section.

## Changes in Contribution Rates and Benefit Amounts

An outline of the major developments in connection with the Plan's background and position is given below.

Effective Date		Benefit Crediting Rate			
Year	Month	Maximum Credited Contribution Rate (% of wages)	All Service to 6/30/1996 (% of wages)	After 7/1/1996 (% of Contributions)	Adjustment to Existing Retirees
1974	November	6%			
1979	May	7%	.1022%		
1981	September		.1226		Full
1984	July		.1533		Full
1985	July		.1640		Full
1986	July		.1722		Full
1988	July		.1782		Full
1990	July				(1)
1991	July				+5%
1996	July				(2)
	October		.2083		+10% <sup>(3)</sup>
	December				+2% <sup>(4)</sup>
	<sup>(5)</sup>			3.472%/ 2.97% <sup>(6)</sup>	\$500 <sup>(7)</sup>
1997	July			3.472%/ 2.97% <sup>(8)</sup>	<sup>(7)</sup>
1998	July				\$300 <sup>(7)</sup>
1999	July				\$500 <sup>(7)</sup>
2001	December				\$500 <sup>(7)</sup>
2003	July			3.472%/2.97%/1.5% <sup>(9)</sup>	
2009	July			3.472%/2.97%/1.5%/1.0% <sup>(10)</sup>	

## Section 4: General Background

### Footnotes:

- (1) \$4 per month for each full year since retirement.
- (2) Supplemental checks granted for the current benefit amount and \$500.
- (3) This factor applies to retirements effective before July 1, 1976.
- (4) This factor applies to retirements effective before December 1, 1996.
- (5) Amendment made also retroactive to October 1, 1996.
- (6) The 3.472% factor applies to contributions from July 1, 1996 to June 30, 1997 and 2.97% factor applies to contributions after July 1, 1997.
- (7) Supplemental check granted.
- (8) The 3.472% factor applies to contributions from July 1, 1996 to June 30, 2002 and 2.97% factor applies to contributions after July 1, 2002.
- (9) The 3.472% factor applies to contributions from July 1, 1996 to June 30, 2002, the 2.97% factor applies to contributions from July 1, 2002 to June 30, 2003, and the 1.5% factor applies to contributions after July 1, 2003.
- (10) The 3.472% factor applies to contributions from July 1, 1996 to June 30, 2002, the 2.97% factor applies to contributions from July 1, 2002 to June 30, 2003, the 1.5% factor applies to contributions from July 1, 2003 to June 30, 2009, and the 1.0% factor applies to contributions after July 1, 2009.

## Section 4: General Background

### Other Developments

Date	Event
March 28, 1950:	Plan was established.
July 1, 1978:	Funding Standard Account was established.
August 1, 1981:	Board adopted an immunized bond portfolio program with at least a 13.5% return between August 1, 1981 and December 31, 1992.
July 1, 1985:	Asset valuation method was changed to amortized cost basis for fixed income investments.
May 1, 1988:	Vesting requirement dropped to 5 years.
July 1, 1994:	Pension eligibility for the Supplemental Early Retirement benefit enhanced to require 26 weeks out of 260 weeks of Covered Service for participants with 30 years of credited service.
July 1, 1997:	Asset valuation method changed to method that gradually adjusts to market value.
July 1, 2005:	Asset valuation method was changed to recognize market value gains and losses, after July 1, 2005, over a five-year period.
July 1, 2008:	Plan certified as being in critical status ("Red Zone").
May 21, 2009:	Trustees adopt a Rehabilitation Plan to forestall plan insolvency. The Rehabilitation Plan includes two schedules ("default" and "preferred") of supplemental off-benefit contribution increases and benefit reductions.
July 1, 2009:	Benefits for current inactive vested participants no longer include early retirement, subsidized joint-and-survivor, and 120-month guarantee, pursuant to the Rehabilitation Plan.
July 1, 2014:	All outstanding amortization bases were combined and offset pursuant to Internal Revenue Code §431(b)(5)(B).
July 1, 2015:	Most recent favorable determination letter. Asset valuation method changed to market value. Plan certified as being in critical and declining status.
July 1, 2016	The actuarial cost method changed to Unit Credit.

5687319v2/00679.001

# San Francisco Lithographers Pension Trust

## **Actuarial Certification of Plan Status under IRC Section 432**

As of July 1, 2020







180 Howard Street, Suite 1100  
San Francisco, CA 94105-6147  
segalco.com  
T 415.263.8200

September 28, 2020

Board of Trustees  
San Francisco Lithographers Pension Trust  
Alameda, CA

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 July 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 July 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 Paul C. Poon, ASA, MAAA, Enrolled Actuary.

As of July 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 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 updating the Rehabilitation Plan.

Sincerely,

Segal

By: Harold S. Cooper  
Harold S. Cooper, FSA, MAAA, EA  
Senior Vice President & Actuary

Paul C. Poon  
Paul C. Poon, ASA, MAAA, EA  
Vice President & Actuary

PXP/CV

cc: Kate Berry  
Kate Buffo  
Sun Chang, Esq.  
Patricia Davis, Esq.  
Catherine Gardner, CPA



September 28, 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 July 1, 2020 for the following plan:

Name of Plan: San Francisco Lithographers Pension Trust  
Plan number: EIN 94-6052228 / PN 001  
Plan sponsor: Board of Trustees, San Francisco Lithographers Pension Trust  
Address: 1600 Harbor Bay Parkway, Suite 200, Alameda, CA 94502-3035  
Phone number: 415.546.7800


As of July 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  
180 Howard Street, Suite 1100  
San Francisco, CA 94105-6147  
Phone number: 415.263.8200

Sincerely,

  
Paul C. Poon, ASA, MAAA  
Vice President & Actuary  
Enrolled Actuary No. 20-06069



# Actuarial status certification as of July 1, 2020 under IRC Section 432

September 28, 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 San Francisco Lithographers Pension Trust as of July 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.

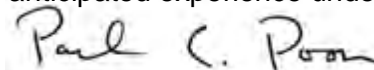
The measurements shown in this actuarial certification may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic 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; differences in statutory interpretation and changes in plan provisions or applicable law.

This certification is based on the July 1, 2019 actuarial valuation, dated April 24, 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 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.



<b>Paul C. Poon, ASA, MAAA</b>	
<b>EA#</b>	20-06069
<b>Title</b>	Vice President & Actuary

### **Certificate Contents**

<b>Exhibit I</b>	Status Determination as of July 1, 2020
<b>Exhibit II</b>	Summary of Actuarial Valuation Projections
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# Actuarial Status Certification under IRC Section 432

## Exhibit I

### Status Determination as of July 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?	Yes	Yes
	C5. The present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over five years?	Yes	Yes
<b>II. Emergence test:</b>			
	C6. (a) Was in critical status for the immediately preceding plan year,	Yes	
	(b) AND EITHER a funding deficiency is projected for the plan year or any of the next nine plan years, without regard to the use of the shortfall method but taking into account any extension of amortization periods under ERISA Section 304(d)(2) or ERISA Section 304 as in effect prior to PPA'06,	Yes	
	(c) OR insolvency is projected for the current year or any of the 30 succeeding plan years?	Yes	
	<b>Plan did NOT emerge?</b>		<b>Yes</b>

# Actuarial Status Certification under IRC Section 432

Status	Condition	Component Result	Final Result
<b>III. Special emergence test:</b>			
C7. (a)	The trustees have elected an automatic amortization extension under 431(d),	No	
(b)	AND EITHER a funding deficiency is projected for the plan year or any of the next nine plan years, without regard to the use of the shortfall method but taking into account any extension of amortization periods under ERISA Section 304(d)(1),	N/A	
(c)	OR insolvency is projected for the current year or any of the 30 succeeding plan years?	N/A	
<b>Plan did NOT emerge?</b>			<b>N/A</b>
<b>IV. Reentry into critical status after special emergence:</b>			
C8. (a)	The Plan emerged from critical status in any prior year under the special emergence rule,	No	
(b)	AND EITHER a funding deficiency is projected for the plan year or any of the next nine plan years, without regard to the use of the shortfall method but taking into account any extensions of amortization periods under ERISA Section 304(d),	N/A	
(c)	OR insolvency is projected for the current year or any of the 30 succeeding plan years?	N/A	
<b>Plan reentered critical status?</b>			<b>N/A</b>
<b>V. In Critical Status? (If C1-C6 or C8 is Yes, then Yes, unless C7 is No)</b>			<b>Yes</b>
If not in Critical Status, skip VI and go to VII			
<b>VI. Determination of critical and declining status:</b>			
C9. (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 under IRC Section 432

Status	Condition	Component Result	Final Result
<b>VII. Determination whether plan is projected to be in critical status in any of the succeeding five plan years:</b>			
C10. (a)	Is not in critical status,	No	
	(b) AND is projected to be in critical status in any of the next five years	N/A	N/A
<b>In Critical Status in any of the five succeeding plan years?</b>			<b>N/A</b>



## Actuarial Status Certification under IRC Section 432

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%?		N/A	No
E2. (a) Is not in critical status,		No	
(b) AND a funding deficiency is projected in seven years?		N/A	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 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.

## Exhibit II

### Summary of Actuarial Valuation Projections

The actuarial factors as of July 1, 2020 (based on projections from the July 1, 2019 valuation certificate):

<b>I. Financial Information</b>			
1.	Market value of assets		\$6,380,068
2.	Actuarial value of assets		6,380,068
3.	Reasonably anticipated contributions		
a.	Upcoming year		274,178
b.	Present value for the next five years		1,350,926
c.	Present value for the next seven years		1,891,297
4.	Reasonably anticipated withdrawal liability payments		87,812
5.	Projected benefit payments		7,148,234
6.	Projected administrative expenses (beginning of year)		506,838
<b>II. Liabilities</b>			
1.	Present value of vested benefits for active participants		9,519,905
2.	Present value of vested benefits for non-active participants		124,963,254
3.	Total unit credit accrued liability		134,499,370
4.	Present value of payments	<b>Benefit Payments</b>	<b>Administrative Expenses</b>
a.	Next five years	\$33,204,902	\$2,534,188
b.	Next seven years	45,853,529	3,547,864
5.	Unit credit normal cost plus expenses		734,744
6.	Ratio of inactive participants to active participants		29.3
<b>III. Funded Percentage (I.2)/(II.3)</b>			4.7%
<b>IV. Funding Standard Account</b>			
1.	Credit Balance as of the end of prior year		(\$70,773,976)
2.	Years to projected funding deficiency		1
<b>V. Projected Year of Emergence</b>			N/A
<b>VI. Years to Projected Insolvency</b>			1
<b>VII. Year Projected to be in Critical Status (based on test C10. in Exhibit I), if within next five years</b>			N/A

## Exhibit III Funding Standard Account Projections

The table below presents the Funding Standard Account Projections for the Plan Years beginning July 1.

	Year Beginning July 1,					
	2019	2020	2021	2022	2023	2024
1. Credit balance (BOY)	(\$59,985,527)	(\$70,773,976)	(\$81,894,234)	(\$93,362,455)	(\$105,189,508)	(\$113,298,504)
2. Interest on (1)	(1,799,566)	(2,123,219)	(2,456,827)	(2,800,874)	(3,155,685)	(3,398,955)
3. Normal cost	239,707	227,906	234,743	241,785	249,039	256,510
4. Administrative expenses	492,076	506,838	522,043	537,704	553,835	570,450
5. Net amortization charges	8,344,137	8,356,964	8,356,964	8,356,965	4,387,938	4,387,943
6. Interest on (3), (4) and (5)	272,278	272,751	273,412	274,094	155,724	156,447
7. Expected contributions	354,004	361,990	370,215	378,688	387,414	396,402
8. Interest on (7)	5,310	5,430	5,553	5,680	5,811	5,946
9. Full-funding limit credit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
10. Credit balance (EOY): (1) + (2) – (3) – (4) – (5) – (6) + (7) + (8) + (9)	(\$70,773,976)	(\$81,894,234)	(\$93,362,455)	(\$105,189,508)	(\$113,298,504)	(\$121,666,461)
	2025	2026	2027	2028	2029	
1. Credit balance (BOY)	(\$121,666,461)	(\$130,452,859)	(\$139,608,665)	(\$149,056,284)	(\$158,804,989)	
2. Interest on (1)	(3,649,994)	(3,913,586)	(4,188,260)	(4,471,689)	(4,764,150)	
3. Normal cost	264,205	272,131	280,295	288,704	297,365	
4. Administrative expenses	587,564	605,191	623,347	642,047	661,308	
5. Net amortization charges	4,534,783	4,621,361	4,621,359	4,621,362	4,621,360	
6. Interest on (3), (4) and (5)	161,597	164,960	165,750	166,563	167,401	
7. Expected contributions	405,660	415,195	425,017	435,133	445,552	
8. Interest on (7)	6,085	6,228	6,375	6,527	6,683	
9. Full-funding limit credit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
10. Credit balance (EOY): (1) + (2) – (3) – (4) – (5) – (6) + (7) + (8) + (9)	(\$130,452,859)	(\$139,608,665)	(\$149,056,284)	(\$158,804,989)	(\$168,864,338)	

Exhibit IV  
Funding Standard Account – Projected Bases Assumed Established after July 1, 2019

Schedule of Funding Standard Account Bases

Type of Base	Date Established	Base Established	Amortization Period	Amortization Payment
Experience (Gain)/Loss	7/1/2020	\$157,727	15	\$12,827

## Exhibit V Solvency Projections

The table below presents the projected Market Value of Assets for the Plan Years beginning July 1, 2019 through 2020.

	<b>Year Beginning July 1,</b>	
	<b>2019</b>	<b>2020</b>
1. Market Value at beginning of year	\$13,429,778	\$6,380,068
2. Contributions	266,192	274,178
3. Withdrawal liability payments	87,812	87,812
4. Benefit payments	7,041,726	7,148,234
5. Administrative expenses	500,000	515,000
6. Interest earnings	<u>138,012</u>	<u>82,565</u>
7. Market Value at end of year: (1)+(2)+(3)-(4)-(5)+(6)	\$6,380,068	\$0
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$13,421,794	\$6,309,623

## Exhibit VI

### Actuarial Assumptions and Methodology

The actuarial assumptions and plan of benefits are as used in the July 1, 2019 actuarial valuation certificate, dated April 24, 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.

<b>Contributions:</b>	<p>For participants covered under the Default Schedule of the Rehabilitation Plan, the contribution rate is 10% of Basic Weekly Wage Rates.</p> <p>For participants covered under the Alternative Schedule of the Rehabilitation Plan, the contribution rate is 15% of Basic Weekly Wage Rates.</p> <p>Contributions in excess of 7% of wages shall not be recognized in determining participants' benefit accruals. The projected contributions also reflect the following anticipated withdrawal liability payments:</p> <table border="1" data-bbox="443 776 1325 873"><thead><tr><th>Plan Year Ending 6/30</th><th>Amount</th></tr></thead><tbody><tr><td>2021 through 2030</td><td>\$87,812</td></tr></tbody></table>	Plan Year Ending 6/30	Amount	2021 through 2030	\$87,812
Plan Year Ending 6/30	Amount				
2021 through 2030	\$87,812				
<b>Asset Information:</b>	<p>The market value of assets as of June 30, 2020 was estimated using the return provided by the Investment Consultant. Contributions, benefit payments, and non-investment expenses for the plan year ending June 30, 2020 were estimated based on the 2019 valuation.</p> <p>For projections after June 30, 2020, the assumed administrative expenses were increased by 3% per year and the benefit payments were projected based on the July 1, 2019 actuarial valuation. The projected net investment return was assumed to be 3.0% 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 be 48 during the projection period. On the average, contributions will be made for each active for 49 weeks each year.</p>				
<b>Future Normal Costs:</b>	<p>The Unit Credit Normal Cost for 2019-2020 is assumed to decline, as a result of the contraction to 48 actives from the above projected industry activity. Normal Costs are also expected to increase by 3% per year to reflect higher salaries used for benefit contributions.</p>				

## Exhibit VII

### Documentation Regarding Scheduled Progress Under Rehabilitation Plan

Based on the Rehabilitation Plan in effect as of June 30, 2020, the applicable standard for July 1, 2020, was for no projected insolvency until after June 30, 2019, using the plan provisions, assumptions/methods, and contribution levels that form the basis of this certification.

Our projections based on this certification indicate the plan will become insolvent during the 2020-2021 Plan Year. Therefore, the annual standard is met.

5660576v2/00679.029

**AMENDMENT NUMBER ONE TO  
SAN FRANCISCO LITHOGRAPHERS PENSION PLAN  
(2015 Restatement)**

- 1. Effective June 1, 2021, a new Section 4 and subsection (a), shall be added to Article D as follows:**

“Section 4. Benefit Suspension

(a) As of June 1, 2021, in accordance with ERISA §4245(a), benefits payable under the Plan shall be paid in the amount determined in accordance with ERISA §4044A (the “PBGC guarantee”). As of that date, benefit amounts that would have been payable under the Plan had the PBGC guarantee not applied shall be suspended.”

- 2. Effective June 1, 2021, a new subsection (e) shall be added to Article E, Section 0 as follows:**

“(e) As of June 1, 2021, in accordance with ERISA §4245(a), benefits payable under the Plan, and in accordance with the Rehabilitation Plan, shall be paid in the amount determined in accordance with ERISA §4044A (the “PBGC guarantee”). As of that date, benefit amounts that would have been payable under the Plan had the PBGC guarantee not applied shall be suspended.”

- 3. Effective June 1, 2021, a new Section 10 and subsection (a) shall be added to Appendix A as follows:**

“10. Benefit Suspension

(a) As of June 1, 2021, in accordance with ERISA §4245(a), benefits payable under the Plan shall be paid in the amount determined in accordance with ERISA §4044A (the “PBGC guarantee”). As of that date, benefit amounts that would have been payable under the Plan had the PBGC guarantee not applied shall be suspended.”

- 4. Effective June 1, 2021, a new Section 8 and subsection (a) shall be added to Appendix B as follows:**

“8. Benefit Suspension

(a) As of June 1, 2021, in accordance with ERISA §4245(a), benefits payable under the Plan shall be paid in the amount determined in accordance with ERISA §4044A (the “PBGC guarantee”). As of that date, benefit amounts that would have been payable under the Plan had the PBGC guarantee not applied shall be suspended.”



UNION TRUSTEES

EMPLOYER TRUSTEES

Monica L. Lucero

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Dated: 9-29-2021

**AMENDMENT NUMBER TWO TO  
SAN FRANCISCO LITHOGRAPHERS PENSION PLAN  
(2015 Restatement)**

- 1. Effective June 30, 2021, Section 1 of Article H shall be amended by adding the following to the end of the existing paragraph:**

“Beginning with June 30, 2021 (the special financial assistance measurement date selected by the Plan in the Plan’s application for special financial assistance provided under ERISA §4262), the Plan shall be administered in accordance with the restrictions and conditions specified in ERISA §4262 and 29 CFR part 4262. This amendment is contingent upon approval by PBGC of the Plan’s application for special financial assistance.”

UNION TRUSTEES

EMPLOYER TRUSTEES

Monica L. Lucas  
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Dated: 9-29-2021

**PROPOSED  
AMENDMENT NUMBER THREE TO  
SAN FRANCISCO LITHOGRAPHERS PENSION PLAN  
(2015 Restatement)**

1. **Effective** [because reinstatement occurs after receipt of SFA, the amendment is to be effective no later than the month in which SFA is paid to the Plan] **new subsections (b), (c) and (d) shall be added to Article D, Section 4 as follows:**

“(b) Effective \_\_\_\_\_, subsection (a) of this Section 4 shall no longer apply.

(c) Effective \_\_\_\_\_, benefits otherwise payable under the Plan that were previously suspended under subsection (a) of this Section 4 shall be reinstated. Such reinstatement shall apply through the end of the \_\_\_\_ Plan Year [end of the Plan Year in which the effective date of the SFA occurs]. For subsequent Plan Years, the Plan shall apply the provisions of Internal Revenue Code §418E, taking into account all of the Plan’s assets, including amounts received as special financial assistance as provided under ERISA §4262 (“special financial assistance”).

(d) Participants and Beneficiaries whose benefits were suspended under subsection (a) of this Section 4 shall be entitled to a lump sum make-up payment equal to the total benefits that were suspended under that subsection, payable from the Plan within 60 days, or as soon as practicable but in no event later than three months, from the date the Plan receives special financial assistance.”

2. **Effective** [same date as above] **new subsections (f), (g) and (h) shall be added to Article (E), Section 0, as follows:**

“(f) Effective \_\_\_\_\_, subsection (e) of this Section 0 shall no longer apply.

(g) Effective \_\_\_\_\_, benefits otherwise payable under the Plan, and in accordance with the Rehabilitation Plan, that were previously suspended under subsection (e) of this Section 0 shall be reinstated. Such reinstatement shall apply through the end of the \_\_\_\_ Plan Year [end of the Plan Year in which the effective date of the SFA occurs]. For subsequent Plan Years, the Plan shall apply the provisions of Internal Revenue Code §418E, taking into account all of the Plan’s assets, including amounts received as special financial assistance as provided under ERISA §4262 (“special financial assistance”).

(h) Participants and Beneficiaries whose benefits were suspended under subsection (e) of this Section 0 shall be entitled to a lump sum make-up payment equal to the total benefits that were suspended under that subsection, payable from the Plan within 60 days, or as soon as practicable but in no event later than three months, from the date the Plan receives special financial assistance.”

3. **Effective** [same date as above] **new subsection (b), (c) and (d) shall be added to Section 10 of Appendix A as follows:**

“(b) Effective \_\_\_\_\_, subsection (a) of this Section 10 shall no longer apply.

(c) Effective \_\_\_\_\_, benefits otherwise payable under the Plan that were previously suspended under subsection (a) of this Section 10 shall be reinstated. Such reinstatement shall apply through the end of the \_\_\_\_ Plan Year [end of the Plan Year in which the effective date of the SFA occurs]. For subsequent Plan Years, the Plan shall apply the provisions of Internal Revenue Code §418E, taking into account all of the Plan's assets, including amounts received as special financial assistance as provided under ERISA §4262 ("special financial assistance").

(d) Participants and Beneficiaries whose benefits were suspended under subsection (a) of this Section 10 shall be entitled to a lump sum make-up payment equal to the total benefits that were suspended under that subsection, payable from the Plan within 60 days, or as soon as practicable but in no event later than three months, from the date the Plan receives special financial assistance."

**4. Effective [same date as above] new subsection (b), (c) and (d) shall be added to Section 8 of Appendix B as follows:**

"(b) Effective \_\_\_\_\_, subsection (a) of this Section 8 shall no longer apply.

(c) Effective \_\_\_\_\_, benefits otherwise payable under the Plan that were previously suspended under subsection (a) of this Section 8 shall be reinstated. Such reinstatement shall apply through the end of the \_\_\_\_ Plan Year [end of the Plan Year in which the effective date of the SFA occurs]. For subsequent Plan Years, the Plan shall apply the provisions of Internal Revenue Code §418E, taking into account all of the Plan's assets, including amounts received as special financial assistance as provided under ERISA §4262 ("special financial assistance").

(d) Participants and Beneficiaries whose benefits were suspended under subsection (a) of this Section 8 shall be entitled to a lump sum make-up payment equal to the total benefits that were suspended under that subsection, payable from the Plan within 60 days, or as soon as practicable but in no event later than three months, from the date the Plan receives special financial assistance."

UNION TRUSTEES

EMPLOYER TRUSTEES

Monica Lucero  
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\_\_\_\_\_

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\_\_\_\_\_

Dated: 9-29-2021

**AMENDMENT NUMBER ONE TO  
SAN FRANCISCO LITHOGRAPHERS PENSION PLAN  
(2015 Restatement)**

- 1. Effective June 1, 2021, a new Section 4 and subsection (a), shall be added to Article D as follows:**

“Section 4. Benefit Suspension

(a) As of June 1, 2021, in accordance with ERISA §4245(a), benefits payable under the Plan shall be paid in the amount determined in accordance with ERISA §4044A (the “PBGC guarantee”). As of that date, benefit amounts that would have been payable under the Plan had the PBGC guarantee not applied shall be suspended.”

- 2. Effective June 1, 2021, a new subsection (e) shall be added to Article E, Section 0 as follows:**

“(e) As of June 1, 2021, in accordance with ERISA §4245(a), benefits payable under the Plan, and in accordance with the Rehabilitation Plan, shall be paid in the amount determined in accordance with ERISA §4044A (the “PBGC guarantee”). As of that date, benefit amounts that would have been payable under the Plan had the PBGC guarantee not applied shall be suspended.”

- 3. Effective June 1, 2021, a new Section 10 and subsection (a) shall be added to Appendix A as follows:**

“10. Benefit Suspension

(a) As of June 1, 2021, in accordance with ERISA §4245(a), benefits payable under the Plan shall be paid in the amount determined in accordance with ERISA §4044A (the “PBGC guarantee”). As of that date, benefit amounts that would have been payable under the Plan had the PBGC guarantee not applied shall be suspended.”

- 4. Effective June 1, 2021, a new Section 8 and subsection (a) shall be added to Appendix B as follows:**

“8. Benefit Suspension

(a) As of June 1, 2021, in accordance with ERISA §4245(a), benefits payable under the Plan shall be paid in the amount determined in accordance with ERISA §4044A (the “PBGC guarantee”). As of that date, benefit amounts that would have been payable under the Plan had the PBGC guarantee not applied shall be suspended.”

UNION TRUSTEES

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\_\_\_\_\_

EMPLOYER TRUSTEES

*Stephen J. ...*  
\_\_\_\_\_  
\_\_\_\_\_

Dated: \_\_\_\_\_

**AMENDMENT NUMBER TWO TO  
SAN FRANCISCO LITHOGRAPHERS PENSION PLAN  
(2015 Restatement)**

1. **Effective June 30, 2021, Section 1 of Article H shall be amended by adding the following to the end of the existing paragraph:**

“Beginning with June 30, 2021 (the special financial assistance measurement date selected by the Plan in the Plan’s application for special financial assistance provided under ERISA §4262), the Plan shall be administered in accordance with the restrictions and conditions specified in ERISA §4262 and 29 CFR part 4262. This amendment is contingent upon approval by PBGC of the Plan’s application for special financial assistance.”

UNION TRUSTEES

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EMPLOYER TRUSTEES

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\_\_\_\_\_

Dated: \_\_\_\_\_

**PROPOSED  
AMENDMENT NUMBER THREE TO  
SAN FRANCISCO LITHOGRAPHERS PENSION PLAN  
(2015 Restatement)**

1. **Effective** [because reinstatement occurs after receipt of SFA, the amendment is to be effective no later than the month in which SFA is paid to the Plan] **new subsections (b), (c) and (d) shall be added to Article D, Section 4 as follows:**

“(b) Effective \_\_\_\_\_, subsection (a) of this Section 4 shall no longer apply.

(c) Effective \_\_\_\_\_, benefits otherwise payable under the Plan that were previously suspended under subsection (a) of this Section 4 shall be reinstated. Such reinstatement shall apply through the end of the \_\_\_\_ Plan Year [end of the Plan Year in which the effective date of the SFA occurs]. For subsequent Plan Years, the Plan shall apply the provisions of Internal Revenue Code §418E, taking into account all of the Plan’s assets, including amounts received as special financial assistance as provided under ERISA §4262 (“special financial assistance”).

(d) Participants and Beneficiaries whose benefits were suspended under subsection (a) of this Section 4 shall be entitled to a lump sum make-up payment equal to the total benefits that were suspended under that subsection, payable from the Plan within 60 days, or as soon as practicable but in no event later than three months, from the date the Plan receives special financial assistance.”

2. **Effective** [same date as above] **new subsections (f), (g) and (h) shall be added to Article (E), Section 0, as follows:**

“(f) Effective \_\_\_\_\_, subsection (e) of this Section 0 shall no longer apply.

(g) Effective \_\_\_\_\_, benefits otherwise payable under the Plan, and in accordance with the Rehabilitation Plan, that were previously suspended under subsection (e) of this Section 0 shall be reinstated. Such reinstatement shall apply through the end of the \_\_\_\_ Plan Year [end of the Plan Year in which the effective date of the SFA occurs]. For subsequent Plan Years, the Plan shall apply the provisions of Internal Revenue Code §418E, taking into account all of the Plan’s assets, including amounts received as special financial assistance as provided under ERISA §4262 (“special financial assistance”).

(h) Participants and Beneficiaries whose benefits were suspended under subsection (e) of this Section 0 shall be entitled to a lump sum make-up payment equal to the total benefits that were suspended under that subsection, payable from the Plan within 60 days, or as soon as practicable but in no event later than three months, from the date the Plan receives special financial assistance.”

3. **Effective** [same date as above] **new subsection (b), (c) and (d) shall be added to Section 10 of Appendix A as follows:**

“(b) Effective \_\_\_\_\_, subsection (a) of this Section 10 shall no longer apply.



(c) Effective \_\_\_\_\_, benefits otherwise payable under the Plan that were previously suspended under subsection (a) of this Section 10 shall be reinstated. Such reinstatement shall apply through the end of the \_\_\_\_ Plan Year [end of the Plan Year in which the effective date of the SFA occurs]. For subsequent Plan Years, the Plan shall apply the provisions of Internal Revenue Code §418E, taking into account all of the Plan's assets, including amounts received as special financial assistance as provided under ERISA §4262 ("special financial assistance").

(d) Participants and Beneficiaries whose benefits were suspended under subsection (a) of this Section 10 shall be entitled to a lump sum make-up payment equal to the total benefits that were suspended under that subsection, payable from the Plan within 60 days, or as soon as practicable but in no event later than three months, from the date the Plan receives special financial assistance."

**4. Effective [same date as above] new subsection (b), (c) and (d) shall be added to Section 8 of Appendix B as follows:**

"(b) Effective \_\_\_\_\_, subsection (a) of this Section 8 shall no longer apply.

(c) Effective \_\_\_\_\_, benefits otherwise payable under the Plan that were previously suspended under subsection (a) of this Section 8 shall be reinstated. Such reinstatement shall apply through the end of the \_\_\_\_ Plan Year [end of the Plan Year in which the effective date of the SFA occurs]. For subsequent Plan Years, the Plan shall apply the provisions of Internal Revenue Code §418E, taking into account all of the Plan's assets, including amounts received as special financial assistance as provided under ERISA §4262 ("special financial assistance").

(d) Participants and Beneficiaries whose benefits were suspended under subsection (a) of this Section 8 shall be entitled to a lump sum make-up payment equal to the total benefits that were suspended under that subsection, payable from the Plan within 60 days, or as soon as practicable but in no event later than three months, from the date the Plan receives special financial assistance."

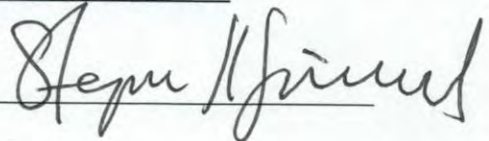
UNION TRUSTEES

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

EMPLOYER TRUSTEES



\_\_\_\_\_

\_\_\_\_\_

Dated: \_\_\_\_\_

# SAN FRANCISCO LITHOGRAPHERS PENSION PLAN

## *CERTIFICATION OF BOARD OF TRUSTEES CONCERNING PROPOSED AMENDMENT No. 3*

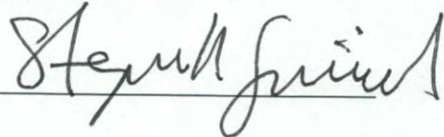
The Board of Trustees of the San Francisco Lithographers Pension Plan ("Plan") hereby certifies that it will adopt and execute proposed Amendment No. 3 within thirty (30) days from receiving notification from the Pension Benefit Guaranty Corporation that the Plan's application for special financial assistance as provided under ERISA §4262 has been approved.

This Certification was approved by the Board of Trustees at a meeting held on August \_\_, 2021.

UNION TRUSTEES

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

EMPLOYER TRUSTEES

  
\_\_\_\_\_  
\_\_\_\_\_

Dated: \_\_\_\_\_

**SAN FRANCISCO LITHOGRAPHERS PENSION TRUST**

FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019



## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
San Francisco Lithographers Pension Trust  
1600 Harbor Bay Parkway, Suite 250  
Alameda, California 94502

Members of the Board:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of San Francisco Lithographers Pension Trust (the "Plan"), which comprise the statements of net assets available for benefits as of June 30, 2020 and 2019, and the related statements of changes in net assets available for benefits for the years then ended and the statement of accumulated plan benefits as of June 30, 2019, and the related statement of changes in accumulated plan benefits for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding the Plan's net assets available for benefits as of June 30, 2020 and changes therein for the year then ended, and its financial status as of June 30, 2019 and changes therein for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note 6 to the financial statements, as of July 1, 2020, the Plan was certified as being in critical and declining funding status. The current value of the Plan's assets plus future investment earnings and contribution income are not projected to cover benefit payments and administrative expenses beyond five years, with projected insolvency during the 2020-2021 Plan year.

As discussed in Note 8 to the financial statements, the Plan will not be able to make benefit payments when due during the fiscal year ended June 30, 2021. Management's evaluation of the events and conditions and management's plans to mitigate these matters are also described in Note 8. Our opinion is not modified with respect to this matter.

*Miller Kaplan Arase LLP*

MILLER KAPLAN ARASE LLP

San Francisco, California

April 8, 2021

**SAN FRANCISCO LITHOGRAPHERS PENSION TRUST**  
**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**

<b>ASSETS</b>	<u>June 30, 2020</u>	<u>June 30, 2019</u>
<b>CASH AND CASH EQUIVALENTS</b>		
Checking Account	\$ 477,110	\$ 577,155
Money Market Funds	<u>5,768,205</u>	<u>12,348,753</u>
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>\$ 6,245,315</b>	<b>\$ 12,925,908</b>
<b>RECEIVABLES</b>		
Employer Contributions	20,082	21,617
Withdrawal Liability	<u>65,016</u>	<u>152,828</u>
<b>TOTAL RECEIVABLES</b>	<b>85,098</b>	<b>174,445</b>
<b>OTHER ASSETS</b>		
Prepaid Pension Benefits	475,973	458,450
Prepaid Insurance	4,685	1,224
Prepaid Taxes	<u>51,919</u>	<u>59,743</u>
<b>TOTAL OTHER ASSETS</b>	<b><u>532,577</u></b>	<b><u>519,417</u></b>
<b>TOTAL ASSETS</b>	<b>6,862,990</b>	<b>13,619,770</b>
 <b>LIABILITIES</b>		
Accrued Expenses	<u>64,225</u>	<u>37,164</u>
<b>TOTAL LIABILITIES</b>	<b><u>64,225</u></b>	<b><u>37,164</u></b>
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>	<b><u><u>\$ 6,798,765</u></u></b>	<b><u><u>\$ 13,582,606</u></u></b>

**SAN FRANCISCO LITHOGRAPHERS PENSION TRUST**  
**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**

EXHIBIT B

	<u>July 1, 2019 to June 30, 2020</u>	<u>July 1, 2018 to June 30, 2019</u>
ADDITIONS		
INVESTMENT INCOME		
Interest and Dividends	\$ 140,805	\$ 350,281
Net Appreciation of Investments	-	140,707
Less: Investment Fees	<u>(37,500)</u>	<u>(60,000)</u>
NET INVESTMENT INCOME	<u>103,305</u>	<u>430,988</u>
EMPLOYER CONTRIBUTIONS	<u>276,441</u>	<u>286,208</u>
TOTAL ADDITIONS	<u>379,746</u>	<u>717,196</u>
DEDUCTIONS		
PENSION BENEFITS	<u>6,656,505</u>	<u>6,838,203</u>
ADMINISTRATIVE EXPENSES		
Administrative Fees	192,740	197,240
PBGC Insurance	47,415	47,152
Printing, Postage and Office Supplies	11,194	12,241
Insurance	92,038	89,115
Educational Conferences and Meeting Expenses	451	1,289
Bank Fees	5,297	5,187
Actuarial and Consulting Fees	112,177	80,629
Audit Fees	24,200	23,500
Legal Fees	<u>21,570</u>	<u>24,033</u>
TOTAL ADMINISTRATIVE EXPENSES	<u>507,082</u>	<u>480,386</u>
TOTAL DEDUCTIONS	<u>7,163,587</u>	<u>7,318,589</u>
NET (DECREASE) FOR THE YEAR	(6,783,841)	(6,601,393)
NET ASSETS AVAILABLE FOR BENEFITS		
BEGINNING OF THE YEAR	<u>13,582,606</u>	<u>20,183,999</u>
END OF THE YEAR	<u>\$ 6,798,765</u>	<u>\$ 13,582,606</u>

(Attached notes are an integral part of this statement)

**SAN FRANCISCO LITHOGRAPHERS PENSION TRUST**  
STATEMENT OF ACCUMULATED PLAN BENEFITS  
JUNE 30, 2019

## ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

## VESTED BENEFITS:

Participants Currently Receiving Payments	\$ 65,291,137
Other Vested Benefits	<u>71,974,101</u>

TOTAL VESTED BENEFITS 137,265,238

NON-VESTED BENEFITS 16,144

TOTAL ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS \$ 137,281,382



**SAN FRANCISCO LITHOGRAPHERS PENSION TRUST**  
**STATEMENT OF CHANGES IN ACCUMULATED PLAN BENEFITS**  
**JULY 1, 2018 TO JUNE 30, 2019**

ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS AT JULY 1, 2018		\$ 144,707,635
INCREASE (DECREASE) DURING THE YEAR ATTRIBUTABLE TO:		
Benefits Accumulated, Net Experience Gain or Loss, Changes in Data	\$ 187,457	
Benefits Paid	(6,838,203)	
Changes in Actuarial Assumptions	(5,014,163)	
Interest	<u>4,238,656</u>	
NET (DECREASE)		<u>(7,426,253)</u>
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS AT JUNE 30, 2019		<u><u>\$ 137,281,382</u></u>

**SAN FRANCISCO LITHOGRAPHERS PENSION TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

**NOTE 1 - DESCRIPTION OF THE PLAN**

The following description of the San Francisco Lithographers Pension Trust (the "Plan") is provided for general information purposes only. Participants should refer to the most recent Plan Documents or Summary Plan Description for a more complete description of the Plan's provisions.

**General**

The Plan is a defined benefit pension plan established on March 28, 1950 for the purpose of providing pension benefits to eligible participants covered by collective bargaining agreements between the Graphic Communications International Union, Local 583 and the Printing Industries of Northern California and various employers signatory to the agreement. Employees become eligible once they complete 20 weeks of service within a 52-week period, working under a collective bargaining agreement which requires contributions to the Plan.

The Board of Trustees are fiduciaries for the Plan. The Board is jointly composed of Union Trustees and Employer Trustees. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

**Pension Benefits**

Under the Plan, qualified participants are entitled to either a normal, reduced, supplemental early retirement, or a disability pension. Married participants receive such benefits as a joint and survivor annuity unless otherwise elected.

The normal retirement benefit for the period before July 1, 1996 is based on all of the "basic weekly wages" for which contributions are required to have been paid to the Plan on behalf of the participant. All such wages for the period before July 1, 1996 are multiplied by 0.2083%. Benefits accrued on or after July 1, 1996 are based on the contributions required to have been paid to the Plan on behalf of the participant. All such contributions for the period on or after July 1, 1996 and before July 1, 2002 are multiplied by 3.472%; all such contributions for the period on or after July 1, 2002 and before July 1, 2003 are multiplied by 2.97%; all such contributions for the period on or after July 1, 2003 and before July 1, 2009 are multiplied by 1.50%.; and all such contributions for the period on or after July 1, 2009 are multiplied by 1.00%. The monthly benefit is the sum of these calculations.

Effective July 1, 2009, benefits are earned for contributions up to 7% of compensation.

**Contributions**

Once participants are eligible, employers contribute to the Plan on behalf of participants under applicable union collective bargaining agreements. Contributions are remitted to the Plan on a monthly basis, and are a percentage of each eligible participant's basic weekly wage rate.

**Vesting**

Participants become vested in their accumulated pension benefits once they are credited with 5 years of service. Participants receive a full year of credit toward vesting requirements for every Plan year in which they earn at least 20 weeks of service.

**SAN FRANCISCO LITHOGRAPHERS PENSION TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

**NOTE 1 - DESCRIPTION OF THE PLAN (Continued)**

**Termination**

It is anticipated that the Plan will be maintained indefinitely, but the right to terminate is reserved. Upon termination, the rights of all affected participants and their beneficiaries to benefits accrued to the date of such termination will be non-forfeitable to the extent funded by the date of termination. If there are insufficient assets to fully fund the accrued benefits of each such participant and beneficiary, then the assets available to provide benefits shall be allocated among them in accordance with the requirements of the law establishing the Pension Benefit Guaranty Corporation (PBGC).

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Accounting**

The Plan's financial statements are prepared on the accrual basis of accounting.

**B. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

**C. Employer Contributions and Contributions Receivable**

Employer contributions as reported are contributions made by employers on behalf of employees for the shifts worked during the year. Employer contributions receivable is based on contributions received subsequent to the end of the year for shifts worked through June 30.

**D. Cash and Cash Equivalents**

Cash and cash equivalents include bank accounts and money market funds.

**E. Tax-Exempt Status**

No provision for federal or state income tax is made. The Plan received its latest favorable determination letter on July 1, 2015. The plan administrator and the plan's legal counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken a tax position that more likely than not would not be sustained upon examination by a tax authority. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

**SAN FRANCISCO LITHOGRAPHERS PENSION TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
JUNE 30, 2020 AND 2019

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Risks and Uncertainties**

Plan investments include securities that are exposed to investment risks such as interest rate, market fluctuations and credit risks. Due to the level of risk associated with investment securities, it is at least 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 benefits.

Plan contributions and the actuarial present value of accumulated plan benefits are determined based on certain assumptions pertaining to interest rates, return on investments and participant demographics, all of which are subject to change. Due to uncertainties inherent in these estimates and assumptions, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the financial statements.

**NOTE 3 - ACTUARIAL INFORMATION**

**A. Accumulated Plan Benefits**

Accumulated plan benefits are those future payments that are attributable under the Plan's provisions to the service participants have rendered. Accumulated plan benefits include benefits expected to be paid to:

- (a) retired or terminated participants or their beneficiaries,
- (b) beneficiaries of participants who have died, and
- (c) present participants or their beneficiaries.

The actuarial present value of accumulated plan benefits is determined by the Plan's actuary, and is that amount that results from applying actuarial assumptions to reflect the time value of money (through discounts for interest) and the probability of payment (by means of reductions such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment.

**B. Significant Actuarial Assumptions**

The significant actuarial assumptions used in the valuation performed by the actuary at June 30, 2019, the most recent valuation, were:

- (a) life expectancy of participants, (Preretirement - the Pri-2012 Employee Blue Collar Amount-weighted Mortality Table with generational projection using scale MP-2019 and Postretirement-Pri-2012 Blue Collar Healthy Retiree Amount-weighted Mortality Table with generational projection using scale MP-2019),
- (b) retirement age assumptions, age 65,
- (d) administrative expenses were \$500,000,
- (e) net investment return was 3.0%,
- (f) future service accruals are 49 weeks worked per year, and
- (g) the valuation reflects Rehabilitation Plan schedules that have been renegotiated into CBAs by the valuation date.

The foregoing assumptions were based on the assumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The actuarial cost method used is the Unit Credit Actuarial Cost Method.

**SAN FRANCISCO LITHOGRAPHERS PENSION TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
JUNE 30, 2020 AND 2019

**NOTE 3 - ACTUARIAL INFORMATION (Continued)**

**B. Significant Actuarial Assumptions (Continued)**

June 30, 2019 changes in actuarial assumptions are as follows:

- (a) Preretirement mortality rates were previously based on RP-2014 Blue Collar Employee Mortality Table with generational projection using scale MP-2016.
- (b) Preretirement mortality rates were previously based on RP-2014 Blue Collar Healthy Annuitant Mortality Table with generational projection using scale MP-2016.

On May 21, 2009, the Trustees adopted The Revised Default and Alternative Schedules of the Rehabilitation Plan (Note 6). Benefit changes made pursuant to the Rehabilitation Plan are reflected in the current year's valuation.

As of June 30, 2019, the Plan has an unfunded present value of vested benefits for withdrawal liability purposes of \$125,234,142.

As of July 1, 2019, the Plan has an unfunded actuarial accrued liability totaling \$123,851,604.

**NOTE 4 - FUNDING POLICY**

Each employer contributes to the Plan such amounts, and at such times, as required by the applicable provisions of a collective bargaining agreement, or such other agreement as approved by the Board of Trustees. The annual contributions for the year satisfied the minimum funding requirements of ERISA.

**NOTE 5 - EMPLOYER WITHDRAWAL LIABILITY CONTRIBUTIONS**

Consolidated Eagle Press withdrew from the Plan during 2013 and has requested a settlement in the amount of \$679,700. As of June 30, 2020, the outstanding withdrawal liability receivable from Consolidated Eagle Press is \$65,016.

**NOTE 6 - CRITICAL AND DECLINING STATUS**

Under the provisions of the Pension Protection Act of 2006 ("PPA '06"), the Plan was certified as being in "critical and declining" funding status (also called the "Dark Red Zone") as of July 1, 2020. The Plan is classified as critical and declining because there is a projected deficiency in the Funding Standard Account within one year and a projected insolvency within 15 years. The Board of Trustees of Red Zone Plans are required to develop a Rehabilitation Plan to address the funded position of their Plans.

Based on this valuation, the current value of assets plus future investment earnings and contribution income are not projected to cover benefit payments and administrative expenses, with projected insolvency during the 2020-2021 Plan year.

The Board of Trustees concluded that after exhausting all reasonable measures there is no recovery plan based on reasonable assumptions that would achieve emergence from critical and declining status by the end of the Rehabilitation Period, or that would enable the Plan to ever emerge from critical and declining status. As allowed by PPA '06 under these circumstances, the Board of Trustees has designed a Rehabilitation Plan to forestall Plan insolvency.

The Board of Trustees adopted a Rehabilitation Plan containing two schedules – a Default Schedule and a Preferred Alternative Schedule – that contain a combination of reductions in or elimination of certain "adjustable benefits" for affected Participants and increased contributions for Employers.

**SAN FRANCISCO LITHOGRAPHERS PENSION TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

**NOTE 6 - CRITICAL AND DECLINING STATUS (Continued)**

For participants currently under the Default Schedule of the Rehabilitation Plan, the following benefit changes were recognized:

- The 120-month guarantee on the Single Life Annuity benefit is eliminated.
- The Pre-Retirement Death Benefit is eliminated.
- The Early Retirement Benefit is eliminated.
- The Supplemental Early Retirement Benefit is eliminated.
- The subsidy on the Qualified Joint and Survivor Annuity is eliminated.

For participants currently covered under the Preferred Alternative Schedule of the Rehabilitation Plan, the following benefit changes were recognized:

- The 120-month guarantee on the Single Life Annuity benefit is eliminated.
- The Pre-Retirement Death Benefit is eliminated.
- The subsidy on the Early Retirement Benefit is eliminated.
- The Supplemental Early Retirement Benefit is limited to \$600 per month and ceases entirely after June 30, 2013.
- The subsidy on the Qualified Joint and Survivor Annuity is eliminated.

Upon the expiration of current collective bargaining agreements, bargaining parties must execute new collective bargaining agreements that include one of the two Schedules. The failure to adopt one of the Schedules within 180 days after the expiration of the current collective bargaining agreements results in the automatic implementation of the Default Schedule.

**NOTE 7 - CONCENTRATION OF CREDIT RISK**

As of June 30, 2020, the Plan had six contributing employers. One of these employers accounted for 71% and 69% of total contributions for the years ended June 30, 2020 and 2019, respectively. This employer accounted for 73% and 69% of the contribution receivable as of June 30, 2020 and 2019, respectively.

**NOTE 8 - GOING CONCERN**

The Plan will not be able to make benefit payments when due during the fiscal year ended June 30, 2021, which raises substantial doubt about the ability of the Plan to continue as a going concern. Plan management evaluated the significance of the conditions surrounding the Plan's ability to meet its obligations. On February 19, 2020, the Plan decided to reduce benefits to guaranteed benefit levels in June 2021 and applied for financial assistance with the PBGC.

The American Rescue Plan Act of 2021 (ARPA) was signed into law on March 11, 2021. ARPA establishes a special financial assistance program to be administered by the PBGC and funded by transfers from the Treasury through September 30, 2030. Under this program, eligible plans may apply to receive a one-time cash payment in the amount required for the plan to pay all benefits through the plan year ending in 2051. The payment received under this special financial assistance program would not be considered a loan and would not need to be paid back. The Plan believes it should be eligible to participate in the program. The Plan is not certain when benefits can be restored to their original level, but expect that it will be no earlier than January 2022.

Management's plans alleviate substantial doubt about the ability of the Plan to continue as a going concern.

**SAN FRANCISCO LITHOGRAPHERS PENSION TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020 AND 2019**

**NOTE 9 - SUBSEQUENT EVENTS**

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) a pandemic. The COVID-19 outbreak in the United States has resulted in government mandated closures of nonessential businesses, directives aimed at restricting movement for residents in many states, and related financial market disruptions. The Plan administrator is unable to quantify the potential effects of the pandemic on the financial status of the Plan.

Management has evaluated subsequent events through April 8, 2021, the date on which the financial statements were available to be issued. Other than discussed above, there were no material subsequent events that required recognition or additional disclosure in these financial statements.

**SAN FRANCISCO LITHOGRAPHERS PENSION TRUST**

FORM 5500

SCHEDULE H - PART IV, LINE 4

E.I.N. 94-6052228; PLAN NO. 001

SUPPLEMENTAL SCHEDULES REQUIRED  
BY THE DEPARTMENT OF LABOR





Independent Auditors' Report on Supplemental  
Schedules Required by the Department of Labor

Board of Trustees  
San Francisco Lithographers Pension Trust  
1600 Harbor Bay Parkway, Suite 250  
Alameda, California 94502

Members of the Board:

Our audits were conducted for the purpose of forming an opinion of the financial statements taken as a whole. The supplemental schedules of assets (held at end of year) as of June 30, 2020 and reportable transactions for the year ended June 30, 2020 are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of Plan 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Miller Kaplan Arase LLP*  
MILLER KAPLAN ARASE LLP

San Francisco, California

April 8, 2021

**SAN FRANCISCO LITHOGRAPHERS PENSION TRUST**

FORM 5500

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

EIN 94-6052228; PLAN NO. 001

JUNE 30, 2020

(a) No. of Shares	(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) Carry Value	(e) Fair Value
	<u>Cash Equivalents</u>			
5,768,205	Vanguard Treasury Money Market Fund	Money Market Fund	<u>\$ 5,768,205</u>	<u>\$ 5,768,205</u>

**SAN FRANCISCO LITHOGRAPHERS PENSION TRUST**  
FORM 5500  
SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS  
EIN 94-6052228; PLAN NO. 001  
JULY 1, 2019 TO JUNE 30, 2020

<u>Description of Asset</u>	<u>Interest Rate (%)</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Selling Price</u>	<u>Carry Value</u>	<u>Net Gain or (Loss)</u>
Vanguard Treasury Money Market Fund	N/A	N/A	\$ 139,452 -	- 6,720,000	\$ 139,452 6,720,000	- -

**SAN FRANCISCO LITHOGRAPHERS PENSION  
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS  
AS OF JUNE 30, 2021**

<b>ASSETS</b>	
<b>CASH</b>	
CASH IN BANK-CNB ADMIN	\$ 244,582.47
DEPOSIT - PENSION ACCT - CNB	(27,177.98)
	<hr/>
<b>TOTAL CASH</b>	<b>217,404.49</b>
	<hr/>
<b>RECEIVABLES</b>	
ACCRUED INCOME-INVESTMENTS	0.00
CONTRIBUTIONS RECEIVABLE	25,890.67
	<hr/>
<b>TOTAL RECEIVABLES</b>	<b>25,890.67</b>
	<hr/>
<b>INVESTMENTS</b>	
<b>VANGUARD</b>	
VANGUARD TREASURY MONEY MARKET	139,806.06
<b>C. CHASE</b>	
C CHASE ASB REAL ESTATE FUND	0.00
<b>OTHER</b>	
ACCUMULATED APPRECIATION	0.00
	<hr/>
<b>TOTAL INVESTMENTS</b>	<b>139,806.06</b>
	<hr/>
<b>OTHER ASSETS</b>	
PREPAID EXPENSE	332,599.72
	<hr/>
<b>TOTAL OTHER ASSETS</b>	<b>332,599.72</b>
	<hr/>
<b>TOTAL ASSETS</b>	<b>715,700.94</b>
	<hr/>
<b>LIABILITIES</b>	
ACCOUNTS PAYABLE	61,647.80
EMPLOYEE F.I.T. WITHHELD	(49,580.19)
EMPLOYEE S.I.T. WITHHELD	(1,790.45)
	<hr/>
<b>TOTAL LIABILITIES</b>	<b>10,277.16</b>
	<hr/>
<b>NET ASSETS</b>	<b>\$ 705,423.78</b>
	<hr/> <hr/>
<b>CHANGES IN NET ASSETS</b>	
BEGINNING OF YEAR	\$ 6,798,764.96
Y-T-D INCREASE (DECREASE)	(6,093,341.18)
	<hr/>
<b>CURRENT NET ASSETS</b>	<b>\$ 705,423.78</b>
	<hr/> <hr/>

**SAN FRANCISCO LITHOGRAPHERS PENSION  
STATEMENT OF CHANGES IN ASSETS AVAILABLE FOR BENEFITS  
FOR THE TWELVE MONTHS ENDING JUNE 30, 2021**

	<u>Current Month</u>	<u>Year to Date</u>	<u>Prior YTD</u>
<b>ADDITIONS:</b>			
<b>CONTRIBUTIONS</b>			
EMPLOYER CONTRIBUTIONS	\$ 25,890.67	\$ 277,415.58	\$ 276,441.37
WITHDRAWAL LIABILITY CONTRIB.	0.00	22,796.00	0.00
PBGC ASSISTANCE	397,100.00	794,200.00	0.00
<b>OTHER INCOME</b>			
DIVIDEND INC- VAN TREASURY MM	1.15	1,600.61	139,452.55
INVESTMENT LITIGATION/SETTLEME	0.00	7.29	0.00
JOINT LITHOGRAPHIC EDUCATION	0.00	0.00	1,352.79
<b>TOTAL ADDITIONS</b>	<b><u>422,991.82</u></b>	<b><u>1,096,019.48</u></b>	<b><u>417,246.71</u></b>
<b>DEDUCTIONS:</b>			
<b>INSURED BENEFITS</b>			
RETIREMENT BENEFITS PAID	391,270.49	6,694,250.68	6,656,504.51
<b>TOTAL INSURED BENEFITS</b>	<b><u>391,270.49</u></b>	<b><u>6,694,250.68</u></b>	<b><u>6,656,504.51</u></b>
<b>OPERATING EXPENSES</b>			
AUDIT / ACCOUNTING	19,200.00	19,200.00	24,200.00
BANK SERVICE CHARGES	492.48	6,481.47	5,297.07
FUND MANAGER - ZENITH	16,061.69	192,740.48	192,740.28
CONSULTANT FEES/ACTUARIAL FEES	26,135.00	90,365.00	112,176.67
CONSULTING - INVESTMENTS	0.00	0.00	37,500.00
LEGAL	2,025.00	21,787.40	21,569.99
INSURANCE	8,461.99	106,228.08	92,038.12
POSTAGE & DELIVERY	864.74	3,537.69	5,601.34
STORAGE FEE	632.68	3,324.58	1,170.21
PENSION BENEFIT GUARANTY CORP.	3,930.00	47,160.00	47,415.00
PRINTING	115.04	4,064.01	4,204.02
TRUSTEE MEETINGS	0.00	0.00	450.89
PARTICIPANT DATA RESEARCH	105.00	221.27	218.94
<b>TOTAL OPERATING EXPENSES</b>	<b><u>78,023.62</u></b>	<b><u>495,109.98</u></b>	<b><u>544,582.53</u></b>
<b>TOTAL DEDUCTIONS</b>	<b><u>469,294.11</u></b>	<b><u>7,189,360.66</u></b>	<b><u>7,201,087.04</u></b>
<b>INCREASE (DECREASE) BEFORE OTHER I</b>	<b><u>(46,302.29)</u></b>	<b><u>(6,093,341.18)</u></b>	<b><u>(6,783,840.33)</u></b>
<b>OTHER ITEMS</b>			
UNRLZD GAIN/LOSS - C CHASE ASB	0.00	0.00	0.00
UNRLZD GAIN/LOSS - VANGUARD	0.00	0.00	0.00
<b>NET INCREASE (DECREASE):</b>	<b><u>\$ (46,302.29)</u></b>	<b><u>\$ (6,093,341.18)</u></b>	<b><u>\$ (6,783,840.33)</u></b>

SAN FRANCISCO LITHOGRAPHERS PENSION PLAN  
(July 1, 2015 Restatement)

The above-named Pension Plan is hereby revised in its entirety to read as set forth in the revised Pension Plan attached hereto effective July 1, 2015.

EMPLOYER TRUSTEES

James D. Dwyer  
Stanford

DATED: March 9, 2016

UNION TRUSTEES

Monica L. Licero  
Jennie Kuhl

DATED: March 9, 2016

SAN FRANCISCO LITHOGRAPHERS PENSION PLAN  
(July 1, 2015 Restatement)

The above-named Pension Plan is hereby revised in its entirety to read as set forth in the revised Pension Plan attached hereto effective July 1, 2015.

EMPLOYER TRUSTEES

DaJ 9/15/2015  
\_\_\_\_\_

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\_\_\_\_\_

\_\_\_\_\_

DATED: \_\_\_\_\_

UNION TRUSTEES

\_\_\_\_\_

\_\_\_\_\_

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\_\_\_\_\_

DATED: \_\_\_\_\_

SAN FRANCISCO LITHOGRAPHERS PENSION PLAN  
(July 1, 2015 Restatement)

The above-named Pension Plan is hereby revised in its entirety to read as set forth in the revised Pension Plan attached hereto effective July 1, 2015.

EMPLOYER TRUSTEES

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DATED: \_\_\_\_\_

UNION TRUSTEES

*[Handwritten Signature]*  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DATED: *9/22/2015*



SAN FRANCISCO LITHOGRAPHERS PENSION PLAN  
(July 1, 2015 Restatement)

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SAN FRANCISCO LITHOGRAPHERS PENSION PLAN  
(July 1, 2010 Restatement)

PREAMBLE: This document sets forth the provisions of the Plan as in effect on July 1, 2010. It applies to all Participation in the Plan on or after that date. Unless specifically provided elsewhere herein, it does not apply to persons whose participation terminated prior to that date under earlier Plan provisions, except with respect to renewed Participation after that date.

**ARTICLE A DEFINITIONS**

1. Plan and Trust

“Plan” means the Pension Plan set forth in this document, which was originally established July 1, 1950. “Trust” means the Trust established pursuant to the “Trust Agreement” under which this Plan is administered.

2. Joint Board

“Joint Board” means the Joint Board of Trustees appointed as Administrator of the Plan and Trust in accordance with the Trust Agreement.

3. Employer

An “Employer” is any legal entity which qualifies as an Employer under the Trust Agreement and which is contributing to the Trust on behalf of employees who work in Covered Service.

4. Union

“Union” means Graphic Communications Union Local 583.

5. Lithographic Production Work

“Lithographic Production Work” means employment anywhere which is subject to federal tax withholding (including employment as a foreman) and which, at the time it was performed, was in a classification covered by bargaining agreements of the Union then in effect.

6. Covered Service

“Covered Service” is Lithographic Production Work for an Employer. It also includes (a) employment with the Union (except for employment under a collective bargaining agreement which does not require contributions to the Trust) and (b) employment of Alumni whose service is treated as Covered Service under Article B. Covered Services does not include work performed by a sole proprietor or partner, or his or her spouse.

7. Connecting Noncovered Service

“Connecting Noncovered Service” is any other work for an Employer (whether or not subject to federal tax withholding) which immediately follows or precedes Covered Service with the same Employer without any intervening quit, discharge or retirement; it must occur while that Employer is obligated to contribute hereto for employees in Covered Service. Although

Connecting Noncovered Service is credited for both Participation and Vesting purposes, for Vesting purposes it is credited only in Plan Years beginning after June 30, 1976, when it would result in the Participant receiving one full Year of Credit for that Plan Year.

#### 8. Weeks of Service

A "Week of Service" is any weekly pay period in Covered Service, Connecting Noncovered Service or Lithographic Production Work for which an employee is paid or entitled to payment whether directly or indirectly through (for example) a trust fund or insurer for either:

- (a) Actual performance of duties; or
- (b) Back pay, irrespective of liquidation of damages and whether pursuant to a final award or to an agreement.

After Participation begins, Lithographic Production Work which is not Covered Service (e.g., which is for firms other than Employers) will be taken into account only during periods of Inactive Participation.

There shall be no duplication of Weeks for which credit is available under more than one of the foregoing rules. Furthermore, when computing Weeks of Service, the Joint Board will adopt rules specifically permitted under applicable lawful regulations issued by the Department of Labor under ERISA, or other rules no less favorable to the Participant.

A "Week of Covered Service" is a Week of Service which includes any Covered Service.

Any week in which the Participant is on a Maternity/ Paternity Leave occurring on or after July 1, 1986, shall be taken into account for purposes of determining whether the Participant has had a One Year Break in Service, as defined in paragraph 1 of Article B. Such weeks are ones during any part of which the Participant was absent from work for any period (i) by reason of the Participant's pregnancy, (ii) by reason of the birth of the Participant's child, (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. Such weeks shall not be credited unless the Participant furnishes the Plan with such timely information as it may reasonably require to establish that the absence from work is for one of such reasons, and the number of weeks during which there was such an absence.

The weeks shall be credited to the Plan Year in which the Maternity/Paternity Leave begins if the Participant would thereby be prevented from incurring a One Year Break in Service in that Plan Year; otherwise, to the immediately following Plan Year. In no event, however, will there be any duplication of weeks for which credit is available under any of the foregoing rules.

#### 9. Required Contributions and Basic Weekly Wage Rate

(a) "Required Contributions" are contributions payable to the Trust on behalf of Participants under applicable Union bargaining agreements and other Contributions Agreements as described in the Trust Agreement; they are a percentage of the Participant's 'Basic Weekly Wage Rate.'

(b) The "Basic Weekly Wage Rate" means the rate of pay for a straight time work week for the classification in which the Participant is regularly employed. If a Participant is temporarily assigned to work in a classification above or below the classification in which he is regularly employed, his Basic Weekly Wage Rate, for the purposes of this Plan, shall continue

to be that of his regular classification, irrespective of the actual wage rate at which he is paid during the period of his temporary assignment. There shall not be included in the Basic Weekly Wage Rate any differential or premium monetary compensation for working long hours, inconvenient hours, or inconvenient days. Without limitation on the foregoing, this means that there shall be excluded from the Basic Weekly Wage Rate monetary pay for the night shift, for overtime, or for work on Saturdays, Sundays or holidays. Excluded also from the Basic Weekly Wage Rate shall be any bonus which the Employer is not obligated to pay, whether or not such bonus comes within the definition of a bonus under any applicable law.

(c) Retirements Before October 1, 1996: For retirements effective before October 1, 1996, benefits are based on a Participant's Basic Weekly Wage Rate. In order to maintain equity between the Participants, the Trustees shall determine whether it is appropriate to make a downward adjustment in the Participant's Basic Weekly Wage Rate for any period of time before October 1, 1

996, in excess of 36 months during which the percentage of the Basic Weekly Wage Rate which is being contributed on the Participant's behalf is less than the percentage being contributed for a majority of the Participants under the Plan.

#### 10. Plan Year

"Plan Year" means the fiscal year of the Plan, which is the twelve month period beginning each July 1st. The Plan Year is the basic computation period for all purposes hereunder, except as otherwise provided when determining qualification for participation.

#### 11. Actuarial Equivalence

Unless otherwise specified in the Plan, 'Actuarial Present Value' means:

(a) For determinations as of any Annuity Starting Date that is on or after January 1, 2000 but before January 1, 2003, a benefit is determined using the 'applicable mortality table' and the 'applicable interest rate'. For this purpose:

(i) The 'applicable mortality table' for a calendar year is the table prescribed for use in that year in Regulations under Code section 417(e), and which is the table set forth in Revenue Ruling 95-6, and

(ii) The 'applicable interest rate' is, for a calendar year, the annual rate of interest on 30-year Treasury securities as specified by the commissioner of Internal Revenue for the month of November (as published in December immediately preceding the calendar year that contains the Annuity Starting Date).

(b) For determinations as of any Annuity Starting Date that is on or after January 1, 2003 but before July 1, 2008, a benefit is determined as in Paragraph 11(a) above, except that the 'applicable mortality table' for a calendar year is the table prescribed for use in that year in Regulations under Code section 417(e), and which is the table set forth in Revenue Ruling 2001-62.

(c) For determinations as of any Annuity Starting Date that is on or after July 1, 2008, a benefit has the same actuarial value as another benefit based on the Applicable Mortality Table and the Applicable Interest Rate as specified below:

(i) The “Applicable Mortality Table” is the mortality table specified for the calendar year under subparagraph (A) of Code section 430(h)(3) (without regard to subparagraph (C) or (D) of such section).

(ii) The “Applicable Interest Rate” shall mean the adjusted first, second, and third segment rates applied under rules similar to the rules of Internal Revenue Code section 430(h)(2)(C) for the month of November (as published in December) immediately preceding the calendar year (which serves as the stability period) that contains the Annuity Starting Date. For this purpose, the segment rates shall be subject to the conditions set forth in Code section 417(e)(3)(D).

## 12. Compensation

(a) Definition. For purposes of this Plan, Compensation means the amount required to be included in the employee’s form W-2 by the Employers for the calendar year that either coincides with or ends within a Plan Year, plus any elective deferrals under Code Section 402(g)(3) and any amounts which are contributed or deferred by an employer at the election of the employee and which are not includable in the gross income of the employee by reason of Code Sections 124, 132(f)(4) or 457. It includes wages, salaries, bonuses and fees for services rendered in the course of employment. It does not include Employer contributions under this Plan or any other qualified retirement plan. It also does not include amounts realized from the disposition of stock acquired under a qualified stock option, amounts realized from the exercise of a non-qualified stock option or when restricted, stock held by employees either becomes freely transferable or is no longer subject to a substantial risk of forfeiture, or other amounts receiving special tax benefits, such as premiums for group term insurance.

Pursuant to Internal Revenue Code Section 401(a)(17), the annual Compensation of each employee taken into account under this Plan for any year shall not exceed the maximum amount provided therein. In applying this rule, the maximum amount was \$200,000 in 1989, was reduced to \$150,000 in 1994, and is increased in 2002 to \$200,000, but in each instance is subject to adjustment for cost of living increases in accordance with regulations issued by the Secretary of the Treasury. Any such increases shall be automatically incorporated into this Plan without the need for specifically amending the Plan each time the maximum is adjusted.

## 13. Collectively Bargained Employee

A Collectively Bargained Employee is an employee who is included in a unit of employees covered by a collective bargaining agreement requiring contributions to this Plan.

## 14. Alumni

An Alumni is a noncollectively bargained employee who benefits under the Plan and is treated as a Collectively Bargained Employee for purposes of meeting federal rules on minimum participation and anti-discrimination, but not with respect to vesting rules. To be an Alumni, the employee must have accrued a benefit under this Plan while being a Collectively Bargained Employee, must be employed by an Employer having a collective bargaining agreement requiring contributions to this Plan, or the Union or the Plan, and must participate in the Plan pursuant to a written Contribution Agreement which provides for the employee to benefit under the Plan.

## 15. Terms Defined Elsewhere

Terms defined elsewhere herein are as follows:

Terms Defined in Article B:

“Participation Date”  
“One Year Break in Service”  
“Permanent Break in Service”  
“Vesting”  
“Inactive Participant”

Terms Defined in Article C:

“Year of Credit”  
“Past Service”  
“Future Service”  
“Reciprocal Service”

Terms Defined in Article D:

“Normal Retirement Age”

Terms Defined in Article E:

“Early Retirement”  
“Supplemental Early Retirement”

Terms Defined in Article F:

“Annuity Starting Date”

Terms Defined in Article G:

“Qualified Domestic Relations Order”

Terms Defined in Article J:

“Excused Absence”  
“Separate Plan”

Terms Defined in Article K:

“Determination Date”  
“Top Heavy Status”  
“Key Employees”  
“Top Heavy Employees”  
“Average Top-Heavy Compensation”

Terms Defined in Article L:

“Separate Plan”  
“Excused Absence”

Terms Defined in Article M:

“Eligible Rollover Distribution”  
“Eligible Retirement Plan”  
“Distributee”  
“Direct Rollover”

## **ARTICLE B PARTICIPATION, BREAKS IN SERVICE AND VESTING**

### **1. When Participation Begins**

An employee’s Participation Date is the beginning of his first week of Covered Service which immediately follows a 52 week period which began with a Week of Service and included



at least 20 Weeks of Service.

Persons who were Participants before July 1, 1976 and were still Participants on that date will retain their original Participation Dates.

2. When Participation Ends

Participation ends when the Participant dies or on the last day of a Plan Year in which the Participant has a One Year Break in Service. However, once a Participant becomes Vested, his Participation cannot end except by death. As provided hereafter, termination of Participation results in a loss of accumulated Years of Credit. (For Plan Years before July 1, 1976, termination of Participation and its consequences will be determined under the Plan provisions then in effect.)

A former Participant may again become a Participant upon meeting the requirements set forth above.

3. Breaks in Service

For Plan Years before July 1, 1986, Breaks in Service and their consequences will be determined under the Plan provisions then in effect. The following rules will apply for all Plan Years thereafter:

(a) A "One Year Break in Service" occurs at the end of any Plan Year when a Participant who is not Vested fails to earn at least 10 weeks of Service, including, for this purpose only, any weeks of Maternity/Paternity Leave credited after July 1, 1986.

As provided elsewhere herein, a One Year Break in Service terminates Participation and results in a loss of accumulated Credits.

(b) A "Permanent Break in Service" occurs for a Participant who is not Vested at the end of any Plan Year when the number of consecutive One Year Breaks in Service equals or exceeds the number of Years of Vesting Credit accumulated before the first of such consecutive One Year Break in Service. However, for Participants who have not had a Permanent Break in Service before June 30, 1986, no Permanent Break in Service can occur before the Participant has at least five (5) consecutive One Year Breaks in Service. As provided hereafter, accumulated Credits lost as a result of a termination of Participation cannot be reinstated after a Permanent Break in Service occurs.

4. Vesting

Participants become Vested when they accumulate 5 Years of Credit. Participants who had incurred a Permanent Break in Service as of May 1, 1988, must accumulate 5 Years of Credit thereafter.

5. Inactive Participation

Inactive Participation allows non Vested Participants who leave Covered Service to continue to accrue Years of Credit toward Vesting while they remain in Lithographic Production Work. It is not credited for purposes of avoiding a Permanent Break in Service, nor in establishing eligibility for the Supplemental Early Retirement Benefit. One who has been a Participant of the Plan for at least two full years, but is not yet Vested, may be designated an Inactive Participant by filing a written application before the close of the Plan Year following the Plan Year in which his Years of Credit would otherwise be forfeited. If such an application is

timely made and approved, then the Inactive Participant shall continue accruing additional Years of Credit for so long as he earns 20 Weeks of Service in any Plan Year. (For this purpose, Weeks of Service will include Lithographic Production Work for which federal tax withholding is not required, e.g., work for an unincorporated firm in which the Participant has an ownership interest.)

At least annually, the Inactive Participant must furnish proof of the required work satisfactory to the Joint Board; such proof may include reference to the records of the Union. Application for inactive status and the required annual proof shall be in writing, executed in duplicate, on forms and in accordance with rules prescribed by the Joint Board. One of the copies shall, after being approved, be returned to the Inactive Participant as a certificate of approved service. If any Participant fails to comply with the above requirements, he shall forfeit all rights which require such compliance, unless the failure is excused by the Joint Board for good cause established to its satisfaction.

A period of Inactive Participation will begin on the date Participation would otherwise terminate and will end at the close of any Plan Year in which the Inactive Participant earns less than 20 Weeks of Service. If an Inactive Participant returns to Covered Service, contributions on his behalf shall begin immediately without having to satisfy any new waiting period.

Years of Credit under this Article B-5 will only be credited for Plan Years prior to July 1, 1988. Inactive Participants who have accrued Years of Credit under this Article B-5 will not incur a Permanent Break in Service prior to July 1, 1993.

6. Alumni Participation Rules. For periods prior to January 1, 1994, an Alumni employed by the Union or an Employer participating in the Plan pursuant to a written agreement will have all of his Weeks of Service with his Employer which are covered by such agreement treated as Weeks of Service as a Collectively Bargained Employee to the extent provided in the agreement. For periods beginning on or after January 1, 1994, an Alumni's Weeks of Service will be treated as Weeks of Covered Service for all purposes of the Plan in accordance with the following rules:

(a) An Alumni who performs service for one or more Employers, or for the Union, or for the Plan both as a Collectively Bargained Employee and as a noncollectively bargained employee during a Plan Year will be treated as a Collectively Bargained Employee for the entire Plan Year if at least half of the Alumni's Weeks of Service during the Plan Year were performed as a Collectively Bargained Employee if the agreement covering him so provides.

(b) An Alumni who was a Collectively Bargained Employee during a Plan Year (or treated as such under other provisions of this paragraph 5 with respect to all of his Weeks of Service during a Plan Year) will be treated as a Collectively Bargained Employee with respect to all his Weeks of Service for the duration of the collective bargaining agreement in effect during that Plan Year, or if later, until the end of the following Plan Year, if the agreement covering him so provides.

(c) An Alumni who was treated as a Collectively Bargained Employee under subparagraph (b) above, will be treated as a Collectively Bargained Employee thereafter, providing the Alumni is performing services for the Union or an Individual Employer and the Pension Agreement covering him so provides. This subparagraph (c) will not apply if more than five percent of the employees covered by the Plan are noncollectively bargained employees determined without application of this subparagraph (c).

Employees treated as Collectively Bargained Employees under subparagraphs (a) and (b) will be deemed to not be noncollectively bargained employees for purposes of this subparagraph (c).

## **ARTICLE C YEARS OF CREDIT FOR PAST AND FUTURE SERVICE**

### **1. Years of Credit**

Years of Credit are given for both Past Service and Future Service as set forth hereafter. Past Service is employment before the effective date of the Plan. Future Service is employment after the effective date of the Plan. (The effective date of the Plan is July 1, 1950, or April 1, 1960 in the case of Participation based upon employment attributable to Honolulu Local 201.)

### **2. Computing Past Service Credits**

Past Service Credits are given for Covered Service during the period of thirteen and one half (13 1/2) years before the effective date of the Plan. Only one who becomes a Participant on the effective date of the Plan (or who was on an Excused Absence, as defined in Article L-2, from Covered Service between that date and his Participation Date) shall receive Past Service Credit.

An eligible Participant shall receive one week of Past Service Credit for every calendar week within the applicable 13 1/2 year Past Service period during any part of which he was employed in Covered Service. A member shall receive One Year of Past Service Credit for every full 52 weeks so credited; additional weeks totaling 27 or more shall be credited as a full year, but less than 27 shall be disregarded, so that the maximum Past Service Credit is 13 Years.

Past Service Credit is given only for periods of Covered Service, but such employment need not be continuous. No Past Service Credit is given for periods of Excused Absence with this one exception: Weeks of Excused Absence from Covered Service prior to the effective date of the Plan due to military service shall be credited for Vesting purposes, but not for the purpose of computing Past Service benefits except as required by law.

### **3. Computing Future Service Credits**

One Year of Future Service Credit is given for every Plan Year in which the Participant earns at least 20 Weeks of Service, beginning with the Plan Year before the one in which Participation begins. No Future Service Credit is given for any Plan Year in which the employee earns less than 20 Weeks of Service, and there shall be no duplication of Past Service Credit and Future Service Credit.

Years of Credit earned through June 30, 1978 will not be less than the Participant's full years of Participation on that date.

### **4. Loss of Credits and Their Reinstatement**

If Participation terminates due to having a One Year Break in Service before becoming Vested, all Years of Credit accumulated at the time of that Break in Service will be lost. All Years of Credit thus lost will be reinstated if the former Participant again becomes a Participant and earns an additional Year of Credit before a Permanent Break in Service occurs; if the former Participant fails to earn an additional Year of Credit before a Permanent Break in Service occurs, the lost Years of Credit will not thereafter be reinstated for any reason.

In no event will Years of Credit be reinstated which had been lost under the Plan rules in effect prior to July 1, 1976.

5. Reciprocal Service Credits

Reciprocal Service Credits are Credits to which a Participant is entitled under any Reciprocal Service Agreement which the Joint Board may enter into with one or more other retirement plans. Except insofar as otherwise provided by the Reciprocal Service Agreement, Reciprocal Service Credits are taken into account in determining eligibility for participation and benefits, but not in determining the dollar amount of those benefits.

6. Credits for Service in the Uniformed Services

(a) Each period served by a Participant in the uniformed services of the United States shall upon reemployment by an Employer under the conditions specified in the Uniform Services Employment and Reemployment Rights Act of 1994 ("USERRA") have the following consequences:

(i) The Participant shall be treated as not having incurred a One-Year Break in Service under the Plan by reason of such period of service.

(ii) Each such period shall be deemed to constitute service under the Plan for the purposes of determining (I) the nonforfeitability of the Participant's accrued benefit, and (II) the accrual of benefits under the Plan.

(b) To be entitled to the benefits of paragraph (a) a Participant must:

(i) be discharged or terminate his uniformed service under honorable conditions;

(ii) meet USERRA's specific requirements for providing advance notice of the impending leave;

(iii) be on leave for no more than 5 years; and

(iv) reapply for reemployment within the time framework provided by USERRA.

(c) Liability to make contributions for the benefits accrued under paragraph (a)(ii)(II) shall be determined in such manner as the Joint Board may by resolution provide, provided that for purposes of computing an employer's liability the Participant's compensation during the period of service shall be computed:

(i) at the rate the Participant would have received by and for the period of such service, or

(ii) in the case that the determination of such rate is not reasonably certain, on the basis of the Participant's average rate of compensation during the 12-month period immediately preceding such period (or if shorter, the period of employment immediately preceding such period).

(d) Any Employer who reemploys a Participant under USERRA shall provide information of such reemployment, in writing, to the Plan within 30 days after the date of such reemployment.

## ARTICLE D BENEFITS PAYABLE AT NORMAL RETIREMENT AGE

### 1. Normal Retirement Age

A Participant will be eligible for Normal Retirement Benefits upon reaching Normal Retirement Age while a Participant, after which the Participant's right to those benefits shall be nonforfeitable to the extent required by ERISA. Normal Retirement Age is the later of the dates specified in (a) and (b) below:

(a) The date the Participant attains age 65; or

(b) The earlier of the date the Participant accrues 5 Years of Credit or the 5th anniversary of the Participant's Participation Date (as defined in Article B-1). For this purpose, the number of a Participant's anniversaries will be determined under the following rules:

(i) Until a person has a Permanent Break in Service, the yearly return of a person's original Participation Date will constitute an anniversary if the person is a Participant on that date.

(ii) After a person has a Permanent Break in Service, all prior service, including accumulated anniversaries, is permanently forfeited, and hence if the person again become a Participant, his anniversaries will be measured from his new Participation Date.

2. Normal Retirement Benefits. Normal Retirement Benefit shall be calculated as set forth in (a) and (b) below for Participants first retiring effective on or after July 1, 2003. However, Participants who cannot meet the requirement set forth in (a) will have their Normal Retirement Benefits determined in accordance with the prior Plan rules which appear in Appendices A and B attached hereto and made a part hereof.

(a) Future Services Benefits. The monthly Normal Retirement Benefit for Future Service for retirements effective on or after July 1, 2003 shall be determined as follows:

(i) For Covered Service before July 1, 1996, a percentage of the sum of the Basic Weekly Wage Rates based upon which Required Contributions were actually paid on the Participant's behalf for the period ending June 30, 1976, or are payable on his behalf (whether or not actually paid) for Covered Service after June 30, 1976. For Participants who retire on or after October 1, 1996 and have not incurred a One Year Break in Service as of October 1, 1996, that percentage shall be .2083 percent.

(ii) For Covered Service on or after July 1, 1996, a Participant shall receive a Monthly Retirement Benefit equal to a percent of Required Contributions depending on when the Covered Service was performed, determined as follows:

(A) 3.472% of Required Contributions paid or payable on behalf of the Participant for the period July 1, 1996 through June 30, 2002, and

(B) 2.970% of Required Contributions paid or payable on behalf of the Participant for the period July 1, 2002 through June 30, 2003, and

(C) 1.500% of Required Contributions paid or payable on behalf of the Participant for the period on or after July 1, 2003 through June 30, 2009.

(D) 1.00% of Required Contributions paid or payable on behalf of the Participant for the period on or after July 1, 2009. For the purpose of determining Normal Retirement Benefits or any other benefits, surcharges and additional contributions made under a Rehabilitation Plan shall not apply.

(b) Past Service Benefits. The monthly normal retirement benefit for each Year of Past Service Credit shall be determined from the following table, based upon the Participant's attained age at the time the work was performed. (For this purpose, all Participants will be deemed to attain their next year of age on July 1 of each year, and a Participant's age on July 1, 1950, will be determined by subtracting the calendar year in which he was born from 1950.)

<u>After Age 55:</u>	\$6.39
<u>Past Service Before Age 55:</u>	5.981% of the Participant's basic weekly rate on his Participation Date, but not exceeding:  \$4.79 for work after age 45, but before age 55, \$3.20 for work after age 35, but before age 45, and \$1.59 for work before age 35.

### 3. Maximum Benefits

In order to comply with ERISA, in no event shall this Plan pay benefits which, when added to any other pension benefit payable to the Participant from an Employer, shall exceed the maximum benefit permitted under Section 415 of the Internal Revenue Code, as more specifically provided for in Article J.

## ARTICLE E BENEFITS PAYABLE AT OTHER THAN NORMAL RETIREMENT AGE

0. Introductory Explanation. In accordance with the Rehabilitation Plan of the San Francisco Lithographers Pension Plan ("Rehabilitation Plan"), adopted pursuant to the Pension Protection Act, unless specifically indicated otherwise, the benefit adjustments described in Articles E and F below, apply as follows:

(a) For a Participant who had less than 20 weeks of Service during the Plan Year ending June 30, 2009, and has a retirement effective date on or after July 1, 2009, the Default Schedule benefit adjustments apply.

(b) For a Participant who had at least 20 Weeks of Service during the Plan Year ending June 30, 2009, and whose retirement effective date is on or after December 1, 2009 and before the date that the Participant's last employer renews its collective bargaining agreement in effect on June 20, 2009, the Default Schedule benefit adjustments apply;

(c) For a Participant who has at least 20 Weeks of Service during the Plan Year ending June 30, 2009, a Rehabilitation Plan schedule applies to the Participant if the Participant has a retirement effective date on and after December 1, 2009. If such Participant's retirement effective date is after the date on which the Participant's last employer renews a collective bargaining agreement in effect on June 20, 2009, the Default Schedule benefit adjustments apply unless the Employer adopts the Preferred Alternative Schedule within 180 days after the expiration of the collective bargaining agreement in effect on June 20, 2009.

(d) In the case of the Qualified Optional Joint and Survivor Annuity described in Paragraph F-3, if a Participant either had less than 20 Weeks of Service during the Plan Year ending June 30, 2009, or the Participant retires on or after December 1, 2009, the benefit payable to the surviving spouse will be subject to the benefit adjustments of the Rehabilitation Plan. If a Participant had at least 20 Weeks of Service during the Plan Year ending June 30, 2009, and retires before December 1, 2009, the benefit payable to the surviving spouse will not be subject to the benefit adjustments of the Rehabilitation Plan.

1. Early Retirement Benefits

(a) Eligibility

(i) For Participants whose benefits are not subject to adjustment under the Default Schedule of the Rehabilitation Plan, pursuant to the rules set forth in Paragraph E-0, Participants who have accumulated 10 Years of Credit will be eligible to receive monthly retirement benefits beginning the first day of any month after they reach age 55, even if they earn no Credits after reaching that age.

(ii) Participants whose benefits are subject to adjustment under the Default Schedule of the Rehabilitation Plan, under the rules set forth in Paragraph E-0, are not eligible for Early Retirement Benefits.

(b) Amount

(i) For Participants whose benefits are not subject to adjustment under the Rehabilitation Plan, pursuant to the rules set forth in Article E-0, the Early Retirement Benefit will be equal to the Normal Retirement Benefit accrued to the date of early retirement multiplied by the appropriate reduction factor determined from the following schedule (with straight line interpolations for ages falling between the ones specified);

<u>Age</u>	<u>Percentage of Accrued Benefits</u>
55	50.00%
56	53.33%
57	56.67%
58	60.00%
59	63.33%
60	66.67%
61	73.33%
62	80.00%
63	86.67%
64	93.33%

(ii) For Participants whose benefits are subject to adjustment under the Preferred Alternative Schedule of the Rehabilitation Plan, pursuant to rules set forth in Article E-0, the Early Retirement Benefit is equal to the Normal Retirement Benefit accrued to the date of early retirement multiplied by the appropriate reduction factor determined from the following schedule (with straight line interpolations for ages falling between the one's specified);

<u>Age</u>	<u>Percentage of Accrued Benefits</u>
55	40.20%
56	43.80%

57	47.70%
58	52.00%
59	56.80%
60	62.20%
61	68.10%
62	74.80%
63	82.20%
64	90.60%

2. Supplemental Early Retirement Benefits

(a) General Rule. The Supplemental Early Retirement Benefit is in addition to any other benefit provided by the Plan. It is payable only between ages 60 and 65 to Participants who are eligible for it as provided in subparagraph (b) below.

(b) Eligibility

(i) For a Participant whose benefits are not subject to adjustment under a schedule of the Rehabilitation Plan, pursuant to the rules set forth in Paragraph E-0, a Participant will be eligible to receive the Supplemental Early Retirement Benefit only if he is no longer engaged in Covered Service, Connecting Non-covered Service, Lithographic Production Work, or in any other capacity anywhere for an employer which employs persons working in classifications subject to the Union's bargaining agreements. A Participant is eligible to collect only one Supplemental Early Retirement Benefit, and to be eligible must satisfy either all of the requirements in subparagraph (I) or all of the requirements in subparagraph (II), below.

(I) Eligibility with at least 10 Years of Future Service Credit:

(A) The Participant must be between ages 60 and 65.

(B) The Participant must have at least 10 Years of Future Service Credit based on Covered Service after his Participation Date.

(C) These 10 Years of Future Service Credit must include at least 26 Weeks of Covered Service in the 104-week period before the date that the Supplemental Early Retirement Benefit is to begin, and 104 Weeks of Covered Service in the 260-week period before the date the benefit is to begin. However, in the case of an individual on whose behalf contributions are received based on employment after reaching age 55, and who thereafter becomes unable to work in Covered Service because of a disability approved by the Social Security Administration as qualifying the individual for Social Security Disability Benefits, these 104-week and 260-week periods shall instead be measured back from the date that the last contribution was received on the employee's behalf prior to becoming eligible for a Social Security Disability Benefit; but the Supplemental Early Retirement Benefit itself will still not begin until the employee reaches age 60.

(II) Eligibility with at least 30 Years of Future Service Credit:

(A) The Participant must be between ages 60 and 65.

(B) The Participant must have at least 30 Years of Future Service Credit based on Covered Service after his Participation Date.

(C) These 30 Years of Future Service Credit must include at least 26 Weeks of Covered Service in the 260-week period before the date the benefit



is to begin. However, in the case of an individual on whose behalf contributions are received based on employment after reaching age 55, and who thereafter becomes unable to work in Covered Service because of a disability approved by the Social Security Administration as qualifying the individual for Social Security Disability Benefits, the 260-week period shall instead be measured back from the date that the last contribution was received on the employee's behalf prior to becoming eligible for a Social Security Disability Benefit; but the Supplemental Early Retirement Benefit itself will still not begin until the employee has earned at least 30 Years of Future Service Credit and the employee reaches age 60.

(ii) For Participants whose benefits are subject to adjustment under the Preferred Alternative Schedule of the Rehabilitation Plan, pursuant to rules set forth in Paragraph E-0, whose annuity starting date predates July 1, 2013, and who are eligible for this benefit, the Supplemental Early Retirement Benefit is subject to a monthly maximum of \$600 per month. Participants whose annuity starting date is on or after July 1, 2013 are not eligible for the Supplemental Early Retirement Benefit.

(iii) Participants whose benefits are subject to attachment under the Default Schedule are not eligible for the Supplemental Early Retirement Benefits.

(c) Amount

(i) For Participants whose benefits are not subject to adjustment under a schedule of the Rehabilitation Plan, pursuant to the rules set forth in Paragraph E-0, the monthly Supplemental Early Retirement Benefit is  $1/12$  of  $1/10$  of one percent ( $1/12 \times 1/10$  of 1%) of the total wages based upon which contributions have been paid on the Participant's behalf, multiplied by his Years of Credit, up to a maximum of the Participant's Primary Insurance Amount under the Social Security Law as of the date the Supplemental Early Retirement Benefit is to begin. (The maximum became effective January 1, 1978, for those who had not already qualified.)

(ii) For Participants whose benefits are subject to adjustment under the Preferred Alternative Schedule of the Rehabilitation Plan, pursuant to the rules set forth in Paragraph E-0 and eligible for this benefit, the monthly Supplemental Early Retirement Benefit is subject to a monthly maximum of \$600 per month until, at the latest, June 2013 when the benefit terminates for all Participants.

(iii) Participants whose benefits are subject to adjustment under the Default Schedule of the Rehabilitation Plan, pursuant to the rules set forth in Paragraph E-0, are not eligible for the Supplemental Early Retirement Benefit.

(d) Duration. Payment of the Supplemental Early Retirement Benefit will be subject to the general rules of Article G. However, payment will not begin until the Participant has satisfied the eligibility requirements of subparagraph (b) and will terminate in any event with the payment for the month in which the Participant reaches age 65. The Supplemental Early Retirement Benefit is not payable as a Marital Annuity, has no guaranteed payments period, and will not be paid as a single sum as provided in Article G-9.

(e) Relation to Regular Early Retirement Benefits. A Participant eligible for the Supplemental Early Retirement Benefit may elect to begin receiving the Supplemental Early Retirement Benefit at the same time that the Participant begins receiving the Early Retirement Benefit. Alternatively, a Participant may elect to first begin receiving the Early Retirement Benefit and elect to begin receiving the Supplemental Early Retirement Benefit at a later time. A Participant may not, however, commence receiving the Supplemental Early Retirement Benefit without also commencing to receive the Early Retirement Benefit.

(f) Effect of Death. A Participant's Supplemental Early Retirement Benefit is not subject to any alternate form of payment under Article F or Paragraph G 4, nor to the Death Benefit provisions of Paragraph E 4, but receipt of the Supplemental Early Retirement Benefits does not affect the applicability of those provisions to other benefits provided hereunder.

(g) Return to Work. If a Participant ceases to meet the eligibility requirements set forth above, the Supplemental Early Retirement Benefit will be suspended and cannot thereafter be reinstated upon re retirement. If the Participant was collecting the regular Early Retirement Benefit along with the Supplemental Early Retirement Benefit, the provisions of Paragraph G 8 shall apply to the regular Early Retirement Benefits.

3. Late Retirement

Subject to Paragraph G-10, if a Participant works after the month in which the Normal Retirement Age occurs, there will be no increase in the Normal Retirement Benefit except such as may result from additional contributions being made on the Participant's behalf.

4. Death Benefits

(a) Death After Retirement

(i) If a Participant whose benefits are not subject to adjustment under the rules set forth in Paragraph E-0 dies on or after July 1, 1997 and dies before receiving one hundred twenty (120) monthly payments, and if neither the Marital Annuity nor any optional form of payment under paragraph G-4 applies, then the remainder of the one hundred twenty (120) monthly payments shall be paid to such person or persons who qualify as beneficiaries under paragraph G-5. In determining whether one hundred twenty (120) payments have been made, benefits paid both before and after a return to work shall be totaled. The remainder of the one hundred twenty (120) payments may be made in continuing installments or in a commuted lump sum, at the option of the beneficiary. If the beneficiary fails to make a timely election, payments shall be made in continuing installments. If the beneficiary elects to receive the remaining benefits in a lump sum under this paragraph the commuted lump sum value shall be determined from the table set forth in subparagraph (ii).

(ii) The table for computing commuted lump sum values is as follows:

One Hundred Twenty-Payment Guarantee  
Death Benefit Cashout Factors Under Article E-4(a)

Number of Remaining Payments	Present Value Factor for Each \$1 Monthly Benefit	Number of Remaining Payments	Present Value Factor for Each \$1 Monthly Benefit
1	0.9967	2	1.9902
3	2.9804	4	3.9674
5	4.9512	6	5.9318
7	6.9092	8	7.8834
9	8.8544	10	9.8222
11	10.7869	12	11.7484
13	12.7068	14	13.6621
15	14.6143	16	15.5633

<b>Number of Remaining Payments</b>	<b>Present Value Factor for Each \$1 Monthly Benefit</b>	<b>Number of Remaining Payments</b>	<b>Present Value Factor for Each \$1 Monthly Benefit</b>
17	16.5093	18	17.4522
19	18.3920	20	19.3287
21	20.2624	22	21.1930
23	22.1206	24	23.0452
25	23.9667	26	24.8852
27	25.8007	28	26.7132
29	27.6228	30	28.5294
31	29.4330	32	30.3337
33	31.2315	34	32.1263
35	33.0182	36	33.9072
37	34.7933	38	35.6765
39	36.5568	40	37.4342
41	38.3088	42	39.1805
43	40.0494	44	40.9155
45	41.7787	46	42.6391
47	43.4967	48	44.3515
49	45.2035	50	46.0527
51	46.8992	52	47.7429
53	48.5838	54	49.4220
55	50.2575	56	51.0902
57	51.9202	58	52.7475
59	53.5721	60	54.3940
61	55.2132	62	56.0298
63	56.8437	64	57.6550
65	58.4636	66	59.2696
67	60.0729	68	60.8736
69	61.6717	70	62.4672
71	63.2601	72	64.0504
73	64.8381	74	65.6233
75	66.4059	76	67.1859
77	67.9634	78	68.7384
79	69.5108	80	70.2807
81	71.0481	82	71.8130
83	72.5754	84	73.3353
85	74.0927	86	74.8477
87	75.6002	88	76.3502
89	77.0978	90	77.8430
91	78.5857	92	79.3260
93	80.0639	94	80.7994
95	81.5325	96	82.2632
97	82.9915	98	83.7174

Number of Remaining Payments	Present Value Factor for Each \$1 Monthly Benefit	Number of Remaining Payments	Present Value Factor for Each \$1 Monthly Benefit
99	84.4410	100	85.1622
101	86.8810	102	86.5975
103	87.3117	104	88.0235
105	88.7330	106	89.4402
107	90.1451	108	90.8477
109	91.5480	110	92.2460
111	92.9417	112	93.6352
113	94.3264	114	95.0153
115	95.7020	116	96.3865
117	97.0687	118	97.7487
119	98.4265		

The lump sum shall in no event be less than the Actuarial Equivalent of the remaining benefits determined using the 'applicable interest rate' described in Article A-11(a).

(iii) This paragraph shall not be construed to limit the power of the Board of Trustees, under Article G-9, to pay benefits with an actuarial equivalent value of \$1,000 or less in a lump sum payment. If a Participant dies after having filed an application to have his benefits begin, but before actually receiving his first monthly benefit, the provisions of this subparagraph (a) rather than the following subparagraph (b) shall apply if his application would, had he lived, resulted in a monthly payment to him for the month in which his death occurred and the benefit under this subparagraph (a) is greater than the benefit payable under subparagraph (b).

(iv) If a Participant's benefits are subject to adjustment under a schedule of the Rehabilitation Plan, pursuant to the rules set forth in Paragraph E-0, continued benefits after the death of the Participant are not available under this paragraph.

(b) **Death Before Retirement.** If a Vested Participant, whose benefits are not subject to adjustment under a schedule of a Rehabilitation Plan, pursuant to the rules set forth in Paragraph E-0, dies before his monthly benefits begin, then a death benefit shall be paid to any beneficiaries qualified under Paragraph G-5. The total benefit will be equal to 1% of the contributions paid to the Trust based on the Participant's Covered Service multiplied by the years of his attained age at the time of his death. A surviving spouse may receive this Death benefit only by electing in writing to receive it instead of the Marital Annuity described in Article F. For Participants whose benefits are subject to a schedule of the Rehabilitation Plan, pursuant to the rules set forth in Paragraph E-0, continued benefits after the death of the Participants are not available under this paragraph.

#### 5. Required Beginning Date

(a) For all Participants who are not 5% owners and who attain age 70½ on or after January 1, 2001, their required beginning date will be April 1 of the calendar year following the later of (i) the calendar year in which they attain age 70½ or (ii) the calendar year in which they retire.

(b) For all Participants who are 5% owners (regardless of when they attain age 70½) and for Participants who attain age 70½ before January 1, 2001, their required beginning

date will be April 1 of the calendar year following the calendar year in which they attain age 70½.

(c) As provided in Code Section 416(i)(1)(B)(i), a 5% owner means either (i) any person who owns (or is considered as owning under the Code) more than 5% of the outstanding stock of a contributing corporation or stock possessing more than 5% of the total combined voting power of all stock of the contributing corporation, or (ii) any person who owns more than 5% of the capital or profits interest in a contributing employer which is not a corporation.

(d) If a Participant first retires in a month after he attains age 70½, then his or her Normal Retirement benefit when it begins will be the Actuarial Equivalent of the accrued benefit as of the month in which he or she turned age 70½, plus any additional accruals since that date.

(e) With respect to all Participants who attain age 70½ and continue to accrue benefits after January 1, 2001, the following rules will be applied.

(i) In no event will the Participant's benefits be suspended after the required beginning date for work in Suspendible Service (as defined in Article G-8).

(ii) The distribution required to begin on April 1 will include all benefits accrued to that date, plus any actuarial increases required by this Article E-5.

(iii) If any additional benefits are accrued after the required beginning date, annual distribution of such amounts as a separate identifiable component will start with the first monthly payment in the calendar year immediately following the calendar year in which such amounts accrue. In calculating this amount, the benefit accrued shall be reduced (but not below zero) by the Actuarial Equivalent of the total Plan benefit distributions made to the Participant during the year, provided that the distributions used in this calculation are limited to those that could have been suspended under Article G but for this age 70½ distribution rule.

## ARTICLE F MARITAL ANNUITIES

### 1. General Rules

Subject to all rules and exceptions set forth below:

#### (a) Applicability at Retirement

(i) Normal Form of Benefit. The Marital Annuity is the normal form of benefit payable to a married Participant who retires under the Plan. It is not applicable to the Supplemental Early Retirement Benefit. For Participants whose benefits are not subject to adjustments under a schedule of the Rehabilitation Plan, pursuant to the rules set forth in Paragraph E-0, a single life annuity, with a 120-month guarantee as provided in Article E-4(a), is the normal form of benefit payable to an unmarried Participant who retires under the Plan. For Participants whose benefits are subject to adjustments under a schedule of the Rehabilitation Plan, pursuant to the rules set forth in Paragraph E-0, the 120-month guarantee is not available.

(ii) Marital Annuity. A Marital Annuity is a joint and survivor annuity providing an adjusted monthly benefit to the Participant for life, continuing to the person who

was the Participant's spouse at retirement for life in an amount equal to 50% of the adjusted amount.

(I) For Participants whose benefits are not subject to adjustment under a schedule of the Rehabilitation Plan, pursuant to the rules set forth in Paragraph E-0, the Marital Annuity will be equal to 95% of the retirement benefit which otherwise would have been payable to the Participant, except that, if the spouse is more than 10 years younger than the Participant, the annuity is further reduced by  $\frac{1}{2}$  of 1% for each year or fraction thereof in excess of 10 years.

(II) For Participants whose benefits are subject to adjustment under a schedule of the Rehabilitation Plan, pursuant to the rules set forth in Paragraph E-0, the Marital Annuity will be equal to 90% of the retirement benefit which otherwise would have been payable to the Participant, except that, if the spouse is more than 10 years younger than the Participant, the annuity is further reduced by  $\frac{1}{2}$  of 1% for each year or fraction thereof in excess of 10 years.

(b) Pre-retirement Spousal Annuities. Subject to the requirements of paragraph F-3, the following Pre-Retirement Spousal Annuities shall be payable if, after August 22, 1984, a Vested Participant dies before retiring leaving a surviving spouse and the Participant had earned at least One Week of Service after September 2, 1974.

(i) Death After Becoming Eligible for Normal or Early Retirement Benefits. If the Vested Participant dies leaving a surviving spouse after becoming eligible to receive either Normal or Early Retirement Benefits, the Pre-retirement Spousal Annuity will be paid as follows:

(I) Start. The annuity will begin with the first month following the Participant's death.

(II) Amount. The spouse will receive the amount which he or she would have received if the Participant had begun receiving Retirement Benefits (not including any Supplemental Early Retirement Benefit) in the Marital Annuity form on the day before the starting date of the Pre-retirement Spousal Annuity and then died immediately, based on the benefits accrued to the date of the Participant's death.

(III) Duration. The amount determined under (B) shall be paid to the surviving spouse for life.

(ii) Death Before Becoming Eligible for Early Retirement Benefits. If the Vested Participant dies leaving a surviving spouse before becoming eligible to receive Early Retirement Benefits, the Pre-retirement Spousal Annuity will be paid as follows:

(I) Start. The annuity will begin:

(A) For Participants whose benefits are not subject to adjustment under a schedule of the Rehabilitation Plan, or whose benefits are subject to the Preferred Schedule under the Rehabilitation Plan;

(1) If the Participant died before age 55, on the first day of the month after the Participant would have attained age 55;

(2) If the Participant died on or after age 55, on the first day of the month following the death of the Participant.

(B) For the Participant whose benefits are subject to the Default Schedule of the Rehabilitation Plan, on the first day of the month after the Participant would have attained age 65.

(II) Amount. The spouse will receive the amount which he or she would have received determined as if the Participant was eligible for and actually began to receive Early Retirement Benefits (not including any Supplemental Early Retirement Benefit) in the Marital Annuity form on the day before the starting date of the Pre-retirement Spousal Annuity (even if the Participant did not have 10 Years of Credit) and then died immediately, based on the benefits accrued to the date of the Participant's actual death.

(III) Duration. The amount determined under (II) shall be paid to the surviving spouse for life.

## 2. Election to Avoid General Rules

Election to Waive Marital Annuity at Retirement. Any Participant applying for Retirement Benefits may elect to waive the Marital Annuity and instead receive any other benefit for which the Participant is then eligible. This election shall require the spouse's written consent, which must acknowledge the effect of such election, and name both a designated beneficiary and a specific form of any benefits paid under the Plan (including remaining benefits that a designated beneficiary may receive). The spouse's written consent must either be notarized or made before "and witnessed in writing by" a Plan representative designated by the Joint Board. However, the Joint Board may waive the requirement of the spouse's consent if it is established to its or its agents' satisfaction that the consent may not be obtained because there is no spouse, because the spouse cannot be located or because of such other circumstances as the Secretary of the Treasury may by regulations prescribe. Failure by the Participant (or spouse in the event of death) to consent to an immediate distribution of any part of accrued benefits is an election to defer commencement of payment of any benefits to Normal Retirement Age.

At any time before the first benefit payment is distributed, the Participant may revoke an election, and make a new election subject to the requirement of spousal consent for any new election. Elections and revocations of elections shall be in writing.

Any person eligible to make any election hereunder shall receive, written in nontechnical language, a general description or explanation of the Joint and Survivor Annuity, the Participant's right to waive the Joint and Survivor Annuity form of benefit and the effects of such waiver, the right of the Participant's spouse to consent or not consent to such waiver and the effects thereof, and the Participant's right to revoke such elections. In general, such written explanation shall be provided within a reasonable time before the benefit commencement date, but it may be provided after that date. If it is, the Participant shall have at least 30 days to make the election of his or her form of benefit. Any requirement that the Participant's written election be provided at least 30 days before the benefit commencement date may be waived by a Participant (with any required spousal consent) so long as the distribution commences more than 7 days after such explanation is provided.

No benefits will be paid until this election is exercised as provided herein, or until the Participant advises the Joint Board in writing that the Marital Annuity is the preferred form of payment, but if neither has been done within the election period, the Marital Annuity form will apply. However, the spouse's consent is not required for single sum payments made pursuant to Article G-9.

### 3. Qualified Optional 75% Joint and Survivor Annuity

Subject to the spousal consent requirements of Paragraph F-2, a Participant eligible to elect the Marital Annuity may elect, instead, a 75% Joint and Survivor Annuity which provides that if a Participant has a spouse to whom he is lawfully married on the Annuity Starting Date, the Participant will receive an actuarially reduced monthly retirement benefit payable to the Retired Participant during his or her lifetime, and which provides for the continuance of seventy-five percent (75%) of such reduced benefit to such spouse after the Participant's death if he or she survives the Participant and the Participant dies after the first anniversary of the marriage.

(a) For Participants whose benefits are not subject to adjustment under a schedule of the Rehabilitation Plan, pursuant to the rules set forth in Paragraph E-0, if the age of the surviving spouse of the Participant is not ten years less than the age of the Participant, the benefit payable to the surviving spouse shall be 91% of the benefit payable under the single life annuity form (with a 120-month minimum guarantee of payments). If the age of the spouse of the Participant is ten or more years less than the age of the Participant, the benefit payable to the surviving spouse is 91%, of the benefit payable under the single life annuity form (with a 120-month minimum guarantee of payments), reduced by 0.5% for each year or fraction of a year in excess of ten years.

(b) For Participants whose benefits are subject to adjustment under a schedule of the Rehabilitation Plan, pursuant to the rules set forth in Paragraph E-0, if the age of the surviving spouse of the Participant is not ten years less than the age of the Participant, the benefit payable to the surviving spouse shall be 86% of the benefit payable under the single life annuity form (with no minimum 120-month guarantee of payments). If the age of the spouse of the Participant is ten or more years less than the age of the Participant, the benefit payable to the surviving spouse is 86% of the benefit payable under the single life annuity form (with no minimum 120-month guarantee of payments), reduced by 0.5% for each year or fraction of a year in excess of ten years.

### 4. Marriage Requirements

(a) One Year Requirement. In the case of a retired Participant who begins receiving benefits after July 1, 1986, the Marital Annuity will apply if the Participant and the Participant's spouse have been lawfully married for at least one year preceding the first month for which benefits are payable ("the Annuity Starting Date"). If the marriage had been in effect for less than one year on the Annuity Starting Date, the Marital Annuity will still apply, but benefits will be paid to the surviving spouse only if the retired Participant's death occurs on or after the first anniversary of the marriage. In any event, no Marital Annuity will be payable unless the Joint Board is notified of a marriage meeting the necessary requirements before any benefits are paid to the Participant.

In the case of a Vested Participant who dies after August 22, 1984 before retiring, the Pre retirement Spousal Annuity will apply only if the marriage had been in effect for the full year preceding the Participant's death. The Joint Board must be notified of such a marriage within 6 months of the Participant's death and before benefits have been paid to any beneficiary of the Participant.

(b) Effect of Termination of Marriage Upon Marital Annuity. If the marriage terminates by a final decree of dissolution, or by death of the spouse, before the date the Participant begins receiving benefits (or before the first month for which a benefit would be paid under an application on file at the time the marriage terminates), the Marital Annuity will not apply and the Participant will be entitled to benefits computed without regard to this Article F. If the marriage terminates after the date just mentioned (e.g., after benefits begin) termination of the



marriage will have no effect on the benefits payable under the Marital Annuity, so that the Participant's benefits will not be increased, nor will the rights of a surviving spouse or former spouse be decreased, because the marriage ended.

## 5. Miscellaneous Provisions

(a) Effect of Return to Service. If a Participant's benefits are suspended under Article G 8, any benefits payable thereafter shall be in the same form as applied before the suspension, except that the provisions of this Article F shall apply separately to any additional benefits earned after the suspension and after any change in the Participant's marital status.

(b) Information to be Furnished. Any person eligible to make any election hereunder shall receive no more than 180 days before the effective date of the commencement of benefits, written in nontechnical language, a general description or explanation of the terms and conditions of the Marital Annuity and the circumstances under which it will be provided if the election described in Paragraph F-2 is not made; also the availability of such election, together with a general explanation of the financial effect of the election on the person's benefits, including the relative values of the various optional forms of payment under the Plan. Effective July 1, 2007, an explanation shall also be provided of the right, if any, to defer the commencement of benefit payments and the consequences of electing not to defer the commencement of benefits, including a description of how much larger benefits will be if the commencement of distributions is deferred.

If the person so requests in writing within 90 days after receiving the information described in the preceding paragraph, specific additional information concerning the terms and conditions of the Marital Annuity and its financial effect upon the particular person's benefits, including a comparison of the monthly pension benefit under the Marital Annuity and the monthly pension benefit payable under any other form available under the Plan, will be personally delivered or mailed to the person within 30 days after receipt of the request unless such information has already been furnished.

(c) Effect of Regulations. Any of the provisions of this Article F may be changed by regulations adopted by the Joint Board so long as the result is not less favorable to the Participant or spouse than would be the case if this Article F were applied without such regulations.

## **ARTICLE G PAYMENT OF BENEFITS**

### 1. Applying for Benefits

Benefits will be paid only if a written application requesting payment is filed with the Joint Board in such form and with such supporting documents as the Joint Board may reasonably require. Benefits which begin before Normal Retirement Age will not be paid for months earlier than the month in which the written application is received; and if additional information necessary to complete the application for such benefits and available to the Participant is not furnished by the Participant within 60 days after written request therefor (or such longer period as the Joint Board deems reasonable), such benefits will not be paid for months earlier than the month in which such additional information is received. Failure of a Participant to apply for benefits is an election to defer commencement of benefits beyond the date such benefits would otherwise begin.

## 2. When Benefits Begin

Subject to the application requirements set forth above, Participants' benefits will begin as follows after all eligibility requirements have been satisfied, but not before the Participant has terminated all employment of the type which would cause a suspension of benefits under paragraph G 8 below, except that payments to a former spouse will begin earlier if, and to the extent, so required by a Qualified Domestic Relations Order described in Paragraph G-6(b) below.

(a) Normal Retirement Benefits will begin on the first of the month following the month in which Normal Retirement Age occurs.

(b) Early Retirement Benefits will begin on the first day of whatever month is specified in the Participant's application, but not earlier than the Participant's 55th birthday.

(c) Supplemental Early Retirement Benefits will begin on the first day of whatever month is specified in the Participant's application, but not earlier than either (i) the Participant's 60th birthday, or (ii) the month in which proper application is made.

(d) Delayed Commencements. If payment cannot actually begin by the date specified because it has not yet been possible to determine the amount of the payment or the location of the recipient, after making reasonable efforts to do so, a retroactive payment will be made within 60 days after the earliest date on which such determinations have been made. Unless the Participant otherwise elects, either by failing to apply or otherwise, payment of benefits will begin not later than the 60th day after the latest of the close of the Plan Year in which occurs (i) the date the Participant obtains Normal Retirement Age, (ii) the date of the fifth anniversary of the Participant's Participation Date, or (iii) the date the Participant is no longer employed in Suspendible Service.

## 3. When Benefits End

Monthly Retirement Benefits payable to a Participant will end with the benefit payable for the month in which the Participant dies, unless the Death Benefit, the Marital Annuity or an optional form of benefit providing for further payments after the Participant's death is applicable.

No Death Benefits will be paid after the death of the last survivor of any beneficiary qualified under paragraph G 5 below.

## 4. Optional Methods of Payment

(a) Forms. Instead of the benefits otherwise payable, the Participant may elect any actuarially equivalent alternate form of payment that the Joint Board may authorize. If married, the Participant's spouse must consent to such form as provided in Article F-2. Any such alternate form shall be one under which the actuarial value of the benefits which the Participant can be expected to receive will be more than half of the actuarial value of the total benefits which can be expected to be paid to the Participant and the Participant's beneficiaries. The election may be made or revoked only within the time and in the manner required by the Joint Board, and shall not be available to married Participants if the Marital Annuity described in Article F is in effect. At the present time, the only optional forms available are: a Marital Annuity and an optional 75% Joint and Survivor Annuity for married Participants, a single life annuity with, for Participants whose benefits are not subject to adjustment under a schedule of the Rehabilitation Plan, pursuant to the rules set forth in Paragraph E-0, a one hundred twenty (120) month guarantee of payments and a single sum payment of small benefits as specified in paragraph G-9 below. For Participants whose benefits are subject to adjustment under a schedule of the

Rehabilitation Plan, the guarantee of monthly benefit payments is not available under the single life annuity form of benefit.

(b) Beneficiaries. Any method of payment to a Participant's designated beneficiary shall (except as otherwise permitted under the rules providing for joint and survivor annuities with an employee's spouse) begin not later than one year after the employees' death and distribution shall be completed within 5 years after such death.

#### 5. Designation of Beneficiaries

Effective January 1, 1985, whenever a Participant may designate a beneficiary, the designation shall be in writing in the form and manner required by the Joint Board, and may be changed from time to time in the same manner insofar as permitted in connection with the benefit involved. If the Participant is married, the spouse must approve the designation in the same manner as required for a spouse's consent under Article F 2(a). Any designation of a Participant's spouse as beneficiary is automatically revoked upon entry of a final decree of dissolution, unless a Qualified Domestic Relations Order provides otherwise. If there is no valid designation of beneficiary on file, then payment shall be made to the following in order of priority:

- (a) To the surviving spouse,
- (b) To the surviving children equally, including adopted ones,
- (c) To the children of the Participant's spouse, including adopted ones,
- (d) To the Participant's parents,
- (e) To the Participant's natural brothers and sisters,
- (f) To the estate of the Participant.

If none of the foregoing claim the benefits within one year of the Participant's death, the Joint Board may designate as the beneficiary such person or persons as it, in its sole discretion, deems appropriate.

#### 6. Persons to Whom Benefits Payable

(a) General Rule. Benefits are payable only to Participants or their beneficiaries (including former spouses or other alternate payees when required by a Qualified Domestic Relations Order as described below) or to their court appointed representatives. All benefit payments shall be made directly to such persons and shall not be subject to claims of creditors or others, nor to legal process, and may not be voluntarily or involuntarily alienated or encumbered, except insofar as permitted under ERISA. However, if any Participant or beneficiary is unable to give a valid receipt for a benefit payment and the payment has not been claimed by a court appointed representative, then that payment may, in the discretion of the Joint Board, be paid to any individual or institution providing for the care and maintenance of the Participant or beneficiary.

(b) Qualified Domestic Relations Orders. With respect to court orders entered on or after January 1, 1985, the Plan will pay benefits in accordance with the applicable requirements of any Qualified Domestic Relations Order, which term, as defined by ERISA and used herein, means a state court order satisfying the following requirements:

(i) Type of Order. Such order must relate to the provisions of child support, alimony payments or marital property rights of a spouse, former spouse, child or other dependent which recognizes the existence of such an alternate payee's right to, or assigns to such an alternate payee the right to, receive all or a portion of the Participant's benefits.

(ii) Required Provisions. Such order must specify:

(I) the name and last known mailing address of the Participant and each alternate payee covered by the order,

(II) the amount or percentage of benefits to be paid to each alternate payee, or the manner in which such amount or percentage is to be determined,

(III) the number of payments or period to which such order applies, and

(IV) that it applies to this Plan.

(iii) Prohibited Provisions. Such order must not:

(I) require the Plan to provide any type or form of benefit, or any option, not otherwise provided under the Plan, except as provided in subparagraph (iv) below,

(II) require the Plan to provide increased benefits determined on the basis of actuarial value, or

(III) require the payment of benefits to an alternate payee which are required to be paid to another alternate payee under another order previously determined to be a Qualified Domestic Relations Order.

(iv) Permitted Provisions. Such order may provide either or both the following:

(I) In the case of any payment when the Participant would be unable to receive benefits because of continuing to perform work which would create a suspension of benefits under paragraph G 8 below, the Qualified Domestic Relations Order may nevertheless require that payment of benefits be made to an alternate payee beginning with the earliest month that the Participant could have elected to begin receiving retirement benefits under this Plan provided that:

The order also provides that the Plan shall take into account only the present value of the benefits actually accrued using the actuarial assumptions regarding interest and mortality specified in the table attached hereto; and

The order permits payment of the alternate payee's benefits only in a form which would be available to the Participant other than a joint and survivor annuity with the alternate payee's spouse.

(II) A Qualified Domestic Relations Order may also provide that the former spouse shall be treated as a surviving spouse for purposes of the Pre retirement Spousal Annuity if the Participant and former spouse had been married for at least one year by the date of such order.

(v) Death of Former Spouse. If a former spouse of the Participant to whom benefits would have been payable under a Qualified Domestic Relations Order should die before any such benefits are payable, then unless the Qualified Domestic Relations Order provides for the payments to be made to another qualified alternate payee, any interest of the former spouse in the Participant's benefits shall terminate and revert to the Participant.

7. Benefits Improperly Paid

If benefits are paid to which the Participant was not entitled, the amount of the improper payment shall be an obligation of the recipient to the Trust, and, notwithstanding any other provisions hereof, may be deducted from any future benefits payable to the recipient or any surviving beneficiary. The Joint Board may waive any such obligation in whole or in part if it determines that enforcing the obligation would be inequitable under the circumstances.

8. How Re-employment Affects Benefits

(a) Suspended Service. Benefits being paid to retirees will be suspended for Suspendible Service as follows:

(i) When Suspendible Service Occurs. Suspendible Service occurs in any month in which retirees work 40 or more hours in Industry Service (as defined below).

(ii) Participant's Rights to Information Concerning Suspendible Service. Any Participant may request a determination as to whether specific contemplated employment would lead to a suspension of benefits under these rules. Any such request will be answered within a reasonable period of time following its receipt, but unless unusual circumstances so warrant not later than 10 days following the next regularly scheduled meeting of the Joint Board which is held at least two weeks after the request is received.

(b) Industry Service

"Industry Service" is work which is all of the following:

(i) It is for an employer whose business activities are of the type engaged in by any Employer who was required to contribute to the Plan at the time the retiree's benefits began; and

(ii) It makes use of one or more skills used in a job for which the Plan was at any time entitled to receive contributions on the retiree's behalf, or involves supervisory activities related thereto; provided that the skill was learned during a significant period of training or practice (whether or not acquired during participation in the Plan) or relates to selling, retailing, managerial, clerical or professional occupations; and

(iii) It occurs in any of the United States, except that after Normal Retirement Age, only work in California will be considered Industry Service.

Interpretations of this definition of Industry Service shall be consistent with applicable Department of Labor regulations.

(c) Calculation of Benefit on Re retirement or Death. Except as set forth below, any suspension of a month's benefit will result in a permanent withholding of that benefit so that the benefit will resume upon re retirement in the same amount as before. The only exceptions are as follows:

(i) Additional Benefit Accrual Credits Earned During Suspension Period. If retirees work in Covered Service before their benefits resume, their benefits on re-retirement will be increased to take account of:

(I) For Future Service before July 1, 1996, any additional wages based on which required contributions were made on their behalf during the period of re-employment, and

(II) For Future Service on or after July 1, 1996, required contributions that were made during the period of re-employment.

(ii) Actuarial Adjustment for Reduced Pensions Starting Before Normal Retirement Age. If a suspended retiree's original benefit was actuarially reduced because it began prior to Normal Retirement Age, the actuarially reduced pre suspension benefit will be increased to the extent necessary to prevent the suspension of a month's benefit from affecting the suspended retiree's entitlement to normal retirement benefits payable at Normal Retirement Age (or the actuarial equivalent thereof), but only if either:

(I) The month's benefit was suspended before Normal Retirement Age but the retiree did not work 40 or more hours in Industry Service in California during that month; or

(II) All Industry Service during the entire period for which benefits were suspended was Covered Service or Reciprocal Service and benefits were suspended for more than 12 months before Normal Retirement Age.

(iii) Method of Payment Upon Re retirement or Death. Upon re retirement or the Participant's death during the suspension period, the retiree's pre suspension lifetime or death benefit will be paid in the same form applicable before suspension. Any additional benefits earned during suspension will be paid in the normal form and no optional form of benefit will be available in connection with them except under such rules (if any) as the Joint Board may adopt or as may be required by law and the guarantee period provided by Article E 4(a) will apply only for the same period (if any) that remains applicable to the pre suspension benefit.

Beneficiary designations with respect to survivor benefits other than joint life annuities may be changed by the retiree and spouse in the usual manner during a suspension period, but if a joint annuitant dies before the suspension period, no substitute designation may be made and there will be no actuarial adjustment to take account of the death when the retiree again retires.

(d) Information Required of Retirees

(i) Notification of Suspendible Service. Retirees who become reemployed in work which could be Suspendible Service must immediately so notify the Plan. Failure to report any month of such reemployment will unless it would be unreasonable under the circumstances create a rebuttable presumption that the person had at least 40 hours of Suspendible Service during that month.

(ii) Certification of Unemployment. At such times and with such frequency as the Joint Board may request, retirees must either certify that they are unemployed (and have been so since the last such certification) or provide factual information sufficient to establish that any employment does not constitute Suspendible Service.

(iii) Notice of Termination of Suspendible Service. Before suspended benefits can resume, the retiree must advise the Plan office in writing that the employment requiring suspension of benefits has terminated and must furnish such information as the Plan may then request to enable it to verify that benefits may properly resume.

(iv) Notice of Rules. Retirees shall be advised of the rules set forth in this subparagraph (d) at least annually and in any communications relative to the above verification requirements.

(e) Additional Rules

(i) Notification. No benefit shall be suspended unless the Plan gives the retiree any notification legally required under applicable Department of Labor regulations, including a citation to those regulations; a description of the specific reasons for the suspension; and a general description of the Plan provisions relating to the suspension and a copy of such Plan provisions. The notification shall also include a description of the Plan's procedure for reviewing suspension of benefits and the procedures and forms governing the resumption requirements described below.

(ii) Resumption of Payments. If benefit payments have been suspended, they will resume (retroactively, if appropriate) no later than the first day of the third calendar month after the calendar month in which the retiree ceases to be employed in Suspendible Service, subject to the retiree's complying with the requirements of paragraph (d)(iii) above.

(iii) Offsets. To the maximum extent permitted by law, the Plan may offset against benefit payments due to retirees any payments previously paid to them for the months they were employed in Suspendible Service. Prior to the offset, the retirees shall be specifically notified of the periods of employment for which the offset will be made, the suspendible amounts subject to offset and the manner in which the Plan intends to offset such suspendible amounts; this information shall be included with the notification described in subparagraph (e)(i) to the extent known when such notification is given.

(iv) Minimum Amount. Upon resumption of benefit payments to a retiree whose benefits have been suspended, the retiree's regular monthly benefit will not be less than the regular monthly benefit being paid before benefits were suspended, unless such benefit would have been reduced for reasons unrelated to the suspension or any actuarial adjustments resulting therefrom.

(v) Waiver of Suspension. The Joint Board may waive any suspension, in whole or in part, for such reasons and subject to such limitations as it deems appropriate under the circumstances.

(vi) Required Beginning Date. In no event will a Participant's benefits be suspended after the April 1 of the year following the calendar year in which the Participant attained age 70½.

9. Single Sum Payments of Small Benefits

If a Participant or beneficiary becomes entitled to receive a series of monthly benefits, other than the Supplemental Early Retirement Benefit, and

(a) the actuarial equivalent single sum payment of those monthly payments is \$1,000 or less, in lieu of the monthly benefits the Joint Board shall pay to the Participant or beneficiary, in a single sum payment, the actuarial equivalent of the monthly benefits; or

(b) the actuarial equivalent single sum payment of those monthly payments is greater than \$1,000 but not greater than \$5,000, in lieu of the monthly benefits the Joint Board shall pay to the Participant or beneficiary, in a single sum payment, the actuarial equivalent of the monthly benefits, but only with the consent of the distributee.

For purposes of this subparagraph, the applicable mortality assumptions shall be those specified by the Secretary of Treasury for the purposes of satisfying Internal Revenue Code Section 417. However, for determinations effective on or after January 1, 2000, in no event shall the rate chosen be greater than the annual rate of interest on thirty (30)-year Treasury securities as specified by the commissioner of Internal Revenue for the month of November (as published in December immediately preceding the calendar year that contains the Annuity Starting Date). Payments shall be made under this provision without requiring the consent of the Participant's spouse.

#### 10. Retroactive Annuity Starting Dates

(a) A Retroactive Annuity Starting Date is a benefit commencement date affirmatively elected by a Participant that occurs on or before the date the written explanation which is required by I.R.C. Section 417(a) and described in Paragraph F-4(b) is provided to the Participant. Any make-up payment to reflect missed payments for the period from the Retroactive Annuity Starting Date to the date of the actual make-up payment shall include appropriate interest. The Joint Board may modify the appropriate interest rate from time to time either by amending the Plan or adopting a written resolution to do so. Until the rate is changed it will be 4% simple annual interest.

(b) A Participant who otherwise satisfies the conditions of Paragraph G-10(a) but who does not affirmatively elect a Retroactive Annuity Starting Date shall have his benefit calculated under the terms, conditions and circumstances applicable to his Annuity Starting Date in lieu of benefit payments described in Paragraph G-10(a) above. In the case of a Participant who retires after Normal Retirement Age, the benefit under this Paragraph G-10(b) shall be the Participant's benefit payable at Normal Retirement Age, adjusted according to the following: (i) for benefits to which the guarantee of payments in Article G-4(a) applies, under the factors set forth in Appendix C, and (ii) for benefits to which the guarantee of payments in Article G-4(a) does not apply, under the factors set forth in Appendix D. There shall be no adjustment for months during which the Participant was engaged in employment under conditions described in Article G-8.

(c) The calculation of benefits – whether under Paragraph G-10(a) or (b), above – shall not include periods during which the Participant was engaged in employment under conditions described in Article G-8.

(d) Any election of the benefit under Paragraph G-10(a) in lieu of that in Paragraph G-10(b) shall be subject to the notice and consent requirements including but not limited to those of Code §§401(a)(11) and 417 and regulations issued thereunder, including requirements specific to the election of retroactive payments under Treas. Reg. §1.417(e)-1.

(e) For purposes of satisfying the 30-day consent and waiver requirements under Article F-2, the Annuity Starting Date shall be used instead of the Retroactive Annuity Starting Date.



(f) No retroactive payment or actuarial increase under this Paragraph G-10 shall be made for periods during which a suspension of benefit payments is appropriate under Article G, paragraph G-8.

Notwithstanding any other provision contained herein, this Paragraph G-10 shall be interpreted with the intent of complying with the retroactive annuity starting date requirements of Treas. Reg. §§1.417(e)-1(b)(3)(iv), 1.417(e)-1(b)(3)(v) and 1.417(e)-1(b)(3)(vi).

## ARTICLE H ADMINISTRATION AND CLAIM PROCEDURES

### 1. Administration

This Plan and the Trust shall be administered by the Joint Board appointed under the Trust Agreement, which is the official “Administrator” under ERISA. The Joint Board shall have all powers specifically given it by the Trust Agreement and all other powers reasonably necessary in the administration of the Plan.

### 2. Claims Procedures

(a) Filing of Claim Form. All claims for benefits shall be filed on forms provided by the Plan, which will be available from its principal office and such other places as may from time to time be designated by the Joint Board. A claim shall be considered to have been filed as soon as it is received by the Trust at its principal office or such other location as may be indicated on the claim form, provided it is substantially complete, with all necessary documentation required by the form. If the form is not substantially complete, or if required documentation has not been furnished, the claimant will be notified as soon as reasonably possible of what is necessary to complete the claim.

(b) Notice of Claim Denial. If a claim is wholly or partially denied, the claimant shall receive a written notice of denial, which shall contain the following written in a manner calculated to be understood by the claimant:

- The specific reason or reasons for the denial;
- Specific reference to pertinent Plan provisions on which the denial is based;
- A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and
- Appropriate information as to the steps to be taken if the claimant wishes to submit the claim for review.

The notice of denial shall be given within 90 days after the claim is filed, unless special circumstances require an extension of time for processing the claim. If such an extension is required, written notice shall be furnished to the claimant within 90 days of the time the claim is filed, stating the special circumstances requiring an extension of time and the date by which a decision on the claim can be expected, which shall not be more than 180 days from the date the claim was filed. If such notice of denial is not given within the time required, the claimant may proceed to the review stage described below as though the claim had been denied.

(c) Review of Claim Denials. The claimant, or the claimant's duly authorized representative, may request a review of the claim denial by filing a written application for such review within 60 days after receipt of the written notification of the denial. The Joint Board may consider a late application if it concludes the delay in filing was for reasonable cause. When any such application is received, the claim and its denial shall receive a full and fair review by the Joint Board or any subcommittee to which it delegates this function. Also, if the benefits involved are provided by an insurance company, insurance service, or other similar organization, which is subject to regulation under the state's insurance laws, the Joint Board may permit such organization to conduct such a review and make the decision.

As part of the review procedure, the claimant, or the claimant's duly authorized representative, may review pertinent documents and submit issues and comments in writing, but shall have no right to appear personally before the reviewing group unless that group concludes that such an appearance would be of value in enabling it to perform its obligations hereunder.

(d) Notice of Decision on Review. Notice of decision on the appeal of a claim denial shall be furnished to the claimant in writing and shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, as well as specific references to the pertinent Plan provisions on which the decision is based. The decision shall be furnished to the claimant as promptly as possible after a decision is reached within the time period described below, and if not so furnished, the claimant may consider it to have been denied.

If the decision on review is to be made by the Joint Board or a subcommittee which is holding regularly scheduled meetings at least quarterly, the decision shall be made no later than the date of the first such meeting which occurs at least 30 days following receipt of the request for review; but if special circumstances require an extension of time for processing, the decision shall be rendered not later than the third meeting following receipt of the request. In all other cases, the decision shall be made promptly and ordinarily not later than 60 days after receipt of the request for review, unless special circumstances require an extension of time for processing, in which case the decision shall be rendered as soon as possible but not later than 120 days after receipt of the request for review.

Whenever special circumstances require an extension of time for processing, written notice of the extension shall be furnished to the claimant before the extension period begins.

(e) Exhaustion of Administrative Remedies. No legal action may be taken with respect to a claim until all administrative remedies described herein are exhausted. Any entity reviewing the Joint Board's decision may not consider any facts not presented to the Joint Board. The Joint Board has the sole power and discretion to construe any and all of the terms of this Plan, and any such construction shall be binding on all persons concerned to the fullest extent permitted by law.

## **ARTICLE I AMENDMENT, TERMINATION AND MERGER**

### **1. Amendment**

This Plan may be amended by the Joint Board in the manner provided in the Trust Agreement. Amendments may apply to all groups covered or to certain groups only. Except as

may otherwise be required to obtain or retain tax-exempt status for the Plan or Trust, amendments must conform to the following rules:

(a) Amendment of Vesting Schedule. If the Plan's vesting schedule is amended, any Participant who could be adversely affected by the amendment and who has at least three Years of Credit may elect to have his or her nonforfeitable percentage computed under the Plan without regard to such amendment. Such election must be made during the period beginning with the date the amendment is adopted and ending 60 days after the latest of the date (i) the amendment is adopted, or (ii) the amendment becomes effective, or (iii) the Participant is given written notice of the amendment.

(b) Amendments Affecting Accrued Benefits. No amendment shall decrease a Participant's accrued benefit or eliminate an optional form of distribution with respect to benefits attributable to service before the amendment. Furthermore, no amendment shall have the effect of decreasing a Participant's vested interest determined without regard to such amendment as of the later of the date such amendment is adopted or the date it becomes effective.

## 2. Termination

It is anticipated that this Plan will be maintained indefinitely, but the right to terminate (including the right to partially terminate) is reserved. The right to terminate shall be exercised as provided in the Trust and may be exercised either as to all groups covered or certain groups only.

Upon termination or partial termination, the rights of all affected Participants and their beneficiaries to benefits accrued to the date of such termination or partial termination will be nonforfeitable to the extent funded by the date of the termination. Each such Participant and beneficiary currently entitled to benefits shall receive, in lieu of any other benefits hereunder, a nonforfeitable right to that proportion of the total available assets involved in the termination as is equal to their proportionate share of the total actuarial reserves for all such affected benefits, as determined by the Joint Board on the basis of the recommendations of a qualified actuary.

If there are insufficient assets to fund fully the accrued benefits of each such Participant and beneficiary, then the assets available to provide benefits shall be allocated among them in accordance with the requirements of the law establishing the Pension Benefit Guaranty Corporation, as currently set forth in Section 4044 of ERISA, which provision of that law as amended from time to time is incorporated herein by reference and made part hereof. Unless the Joint Board agrees on a different method of distribution consistent with ERISA, the sum so allocated shall be used to purchase annuities providing benefits in the normal retirement form provided hereunder, or such other form as is already in effect for persons already receiving benefits.

In lieu of terminating the participation of any individual group which ceases to participate hereunder, or in addition to such termination, the Joint Board may reduce or cancel the rate of benefits applicable to or payable on account of past service credits attributable to employment within that group, as determined by the Joint Board based on the recommendations of a qualified actuary. Nothing herein shall be construed as requiring the Joint Board to terminate any individual group or reduce or cancel its benefits if the Joint Board concludes that such action would be inequitable under the circumstances of the particular case and that such action would also be unnecessary from the standpoint of maintaining the actuarial soundness of the Plan.

3. Merger

(a) General Rule. By action of the Joint Board, the Plan may be merged, consolidated with or otherwise combined with any other pension plan qualified under the Internal Revenue Code.

(b) Effect of Merger. No Participant's or beneficiary's accrued benefit shall be lower immediately after the effective date of a merger than the benefit immediately before the effective date of the merger.

## ARTICLE J LEGAL MAXIMUM AMOUNT OF BENEFITS

1. General Rule

Notwithstanding any other provision of this Plan, a Participant's maximum annual benefit under this Plan, when expressed as a single life annuity with no ancillary benefits beginning at age 65, shall be \$160,000 per year (as adjusted pursuant to Code Section 415(d)). The requirements of Section 415 and the Treasury Regulations thereunder are hereby incorporated by reference herein.

2. Retirement Before Age 62

If a Participant's benefits start before age 62, the dollar limit of paragraph 1 shall be adjusted to be the Actuarial Equivalent of the dollar limit for benefits starting at age 62, using an interest rate of the greater of 5% per year or the rate otherwise specified in the Plan.

3. Retirement After Age 65

If a Participant's benefits start after age 65, the dollar limit of paragraph 1 shall be adjusted to be the Actuarial Equivalent of the dollar limit for benefits starting at age 65, using an interest rate assumption of the lesser of 5% per year or the rate otherwise specified in the Plan.

4. Cost-of-Living Adjustments

The \$160,000 per year limitation set forth in paragraph 1 above will be automatically adjusted to the new dollar limitations determined by the Internal Revenue Service from time to time in effect, and will be automatically incorporated into these provisions as of the effective date of the Internal Revenue Service determination without need for specific amendment.

5. Limits on Benefits Distributed or Paid

For limitation Years beginning on or after January 1, 2008, in no event shall the annual amount of benefit distributed or otherwise payable to or with respect to a Participant under the Plan in a Limitation Year exceed the annual dollar limit for that Limitation Year. If the benefit distributable or otherwise payable in a Limitation Year would exceed the annual dollar limit for that Limitation Year, the benefit shall be reduced so that the benefit distributed or otherwise payable does not exceed the annual dollar limit for that Limitation Year.

6. Limitation Year

The limitation year for Section 415 purposes shall be the calendar year.

7. Protection of Prior Benefits

(a) To the extent permitted by law, the application of the provisions of this Appendix A shall not cause the benefit that is accrued, distributed or otherwise payable for any Participant, including the Participant's annual benefit accrued under the Plan as separately determined for each Individual Employer, 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 and that satisfied the limitations under section 451 of the Code and the Treasury Regulations thereunder as in effect as of December 31, 2007.

(b) For any year before 1983, the limitations prescribed by section 415 of the Code as in effect before enactment of the Tax Equity and Fiscal Responsibility Act of 1982 shall apply, and no benefit earned under this Plan shall be reduced on account of the provisions for this Section if it would have satisfied those limitations under the prior law.

(c) For any year before 1992, the limitations prescribed by section 415 of the code as in effect before enactment of the Tax Reform Act of 1986 shall apply, and no benefit earned under the Plan as of the close of the last Limitation Year beginning before January 1, 1987 shall be reduced on account of the provisions of this Section if it would have satisfied those limitations under the prior law.

8. Aggregation

This Plan shall not be aggregated with any other multiemployer plan for purposes of compliance with Section 415. However, if a non-multiemployer plan must be aggregated with this Plan for purposes of complying with Section 415, and that non-multiemployer does not reduce its benefits to comply with Section 415, then this Plan may reduce its benefits to such a level that Section 415 will not be violated.

9. Compensation

(a) For purposes of compliance with Section 415, a Participant's compensation for a limitation year means remuneration received from the Employer during the calendar year for a limitation year for covered service, as defined in Code Section 415 and IRS Reg. Section 1.415(c)-2(d)(4).

(1) 415 Compensation must be paid within the calendar year, and paid or treated as paid before Severance from Employment in accordance with the general timing rule of § 1.415(c)-2(e)(1).

(2) 415 Compensation must include amounts paid by the later of 2 ½ months after Severance from Employment or the end of the Limitation Year that includes the Severance from Employment date in accordance with § 1.415(c)-2(e)(3)(i). Such post-severance compensation includes regular pay as defined in § 1.415(c)-2(e)(3)(ii), leave cashouts and deferred compensation as defined in § 1.415(c)-2(e)(3)(iii), and salary continuation payments for military service and disabled participants in accordance with § 1.415(c)-2(e)(4).

(b) The annual compensation of each Participant taken into account in determining benefit accruals in any Plan Year beginning after December 31, 2001 shall not exceed \$200,000. For this purpose, annual compensation means compensation during the Plan Year or such other consecutive 12-month period over which compensation is determined under the Plan (the "determination period"). To the extent that the provisions of Section 10.20 are inconsistent with the provisions of this Section, the provisions of this Section shall govern.

(c) The \$200,000 limit on annual compensation above shall be adjusted for cost-of-living increases in accordance with IRC § 401(a)(17)(B). The cost-of-living adjustment in effect for a calendar year applies to annual compensation for the determination period that begins with or within such calendar year.

(d) In determining benefit accruals in Plan Years beginning after December 31, 2001, the annual compensation limit in subsection (a) above, for determination periods beginning before January 1, 2002, shall be \$200,000.

#### 10. Dollar Limitation

In applying the dollar limitation specified in Section 415(b)(1)(A), the Plan will make the following adjustments:

(a) The dollar amount will be automatically adjusted each January 1 following a Participant's Severance from Employment to reflect increases in the cost of living as specified under rules issued by the Internal Revenue Service. For purposes of this Article, Severance from Employment occurs when a Participant is no longer an employee of any Employer.

(b) If the Participant has less than 10 years of participation in the Plan, the dollar amount will be multiplied by a fraction (i) the numerator of which is the number of years (or part thereof) of participation in the Plan (not less than one), and (ii) the denominator of which is 10.

(c) If the Participant begins to receive a retirement benefit before the social security retirement age, the dollar limit will be reduced on an Actuarial Equivalent basis as specified under rules issued by the Internal Revenue Service. The applicable mortality table shall be that required under Section 415 and the regulations thereunder, and the interest rate shall be the greater of 5% per year or the rate otherwise specified in the Plan.

(d) If the Participant begins to receive a retirement benefit after the social security retirement age, the dollar limit will be increased on an Actuarial Equivalent basis as specified under rules issued by the Internal Revenue Service. The applicable mortality table shall be that required under Section 415 and the regulations thereunder, and the interest rate shall be the greater of 5% per year or the rate otherwise specified in the Plan.

#### 11. Minimum Benefits

The Plan may pay benefits within the minimum benefit provision of Section 415 even if they would exceed the otherwise applicable limitations, and in the case of a Participant who was a Participant in the Plan on or before December 31, 1982, the maximum monthly benefit shall not be less than the Participant's accrued benefit as of December 31, 1982.

#### 12. Annual Benefit

Section 415 limits the amount of the annual benefit payable by the Plan. The Plan's annual benefit means a benefit payable annually in the form of a straight life annuity. It does not include any benefits attributable to either employee contributions or rollover contributions, or ancillary benefits not directly related to retirement income benefits. If there is a transfer of assets or liabilities to this Plan from another qualified plan, the annual benefit attributable to the assets transferred does not have to be taken into account by this Plan for Section 415 purposes.

13. Adjustments for Form of Benefit

If Plan benefits are paid in a form other than a straight life annuity, they will be actuarially adjusted in accordance with rules issued by the Internal Revenue Service.

The applicable mortality table shall be that described in the table prescribed for use in that limitation year by Reg. § 1.415(b)-1(c). The interest rate for a limitation year is the rate prescribed for use for the year in Reg. § 1.415(b)-1(c) except that for Plan Years beginning in 2004 or 2005, the rate shall not be less than the greater of (A) the rate specified in the Plan for actuarial equivalence and (B) 5.5 percent.

14. No Employer by Employer Testing

For the purpose of administering the Plan, maximum benefit limitation under the Articles will be tested on the basis that the Participant's benefit is attributable to service with a single Employer.

15. Increases of Benefits

For Benefits for limitation years ending on or before December 31, 2001, if the Benefit a Participant would have received in any such limitation year without the Section 415 limits is reduced, the Plan will keep track of such reductions and will pay them to the Participant in future limitation years to the extent it can so without violation of the Section 415 limitations. This paragraph does not apply to Benefits for limitation years ending after December 31, 2001.

16. Limit on Accrued Benefits

For Limitation Years beginning on or after January 1, 2008, in no event shall a Participant's benefit accrued under the Plan for a Limitation Year exceed the annual dollar limit determined in accordance with section 415 of the code and the Treasury Regulations thereunder (the "annual dollar limit") for that Limitation Year. If a Participant's Plan Benefit for a Limitation Year beginning on or after January 1, 2008 would exceed the annual dollar limit for that Limitation Year, the accrued benefit, but not the Plan Benefit, shall be frozen or reduced so that the accrued benefit does not exceed the annual dollar limit for that Limitation year.

17. Plan Disqualification

If under Section 415 and Internal Revenue Service rules thereunder, this Plan must be combined or aggregated with any other plan or plans, and if that aggregation results in the limitations of Section 415 being exceeded, then to the extent permitted by law the other plan or plans will be disqualified before this Plan.

## **ARTICLE K CONTINGENT TOP HEAVY RULES**

1. General Rule

If the Plan is determined to be Top Heavy (as defined in paragraph 2) for any Plan Year, then for that year and all subsequent years until specifically amended to the contrary, the special vesting, minimum benefit and compensation limitations of paragraph 3 shall apply to any employee not included in a unit of employees covered by a collective bargaining agreement between employee representatives and one or more Employers.

2. Determination of Top Heavy Status

(a) Determination Date. The determination date for any Plan Year is the last day of the preceding Plan Year.

(b) Top Heavy Status. The Plan is Top Heavy for any Plan Year if as of the determination date the present value of the cumulative accrued benefits under the Plan for Key Employees exceeds 60 percent of the present value of the cumulative accrued benefits under the Plan for all employees. For this purpose, the value of the cumulative accrued benefits will be determined using the actuarial factors set forth in the table attached hereto.

(c) Key Employees. For any Plan Year, a contributing employer's Key Employees are those who, at any time during the Plan Year, are:

(i) officers of the contributing employer having annual compensation greater than \$130,000 for any such year;

(ii) the persons who own (or are considered as owning within the meaning of Code Section 318) more than 5% of the outstanding stock of the contributing employer or stock possessing more than 5% of the total combined voting power of all stock of the contributing employer. (Sole proprietors and partners are not allowed to participate in the Plan);

(iii) the persons who own (or are considered as owning within the meaning of Code Section 318) more than 1% of the outstanding stock of the contributing employer or stock possessing more than 1% of the total combined voting power of all stock of the contributing employer who also have annual Compensation from the contributing employer of more the \$150,000 for any such year.

(iv) for this purpose, annual compensation means compensation within the meaning of Section 415(c)(3) of the Code.

(d) Special Rules

(i) The \$130,000 limitation in paragraph (c)(i) above shall be automatically adjusted each year as provided in Code Section 416(i)(1).

(ii) The present value of the cumulative accrued benefit for any employer shall be increased by the aggregate distribution made with respect to such employee under the Plan and any plan aggregated with the Plan under Section 416(g)(2) of the Code during the 1-year period ending on the determination date, except that the 1-year period shall be a 5-year period in the case of any distribution made for a reason other than severance from employment, death or disability. This sub-paragraph applies to distributions under a terminated plan which, had it not been terminated, would have been aggregated with the Plan under Section 416(g)(2)(A)(i) of the Code.

(iii) If an individual is not a Key Employee for any Plan Year but was a Key Employee for any prior Plan Year, any accrued benefit for such employee shall not be taken into account for purposes of determining if the Plan is Top Heavy.

(iv) The Joint Board is authorized to adopt any other rules or regulations necessary to insure that the Plan complies in all respects with the top heavy rules of the Internal Revenue Code.



(v) The accrued benefit of an employee who has not performed any service for a contributing employer during the 1-year period ending on the determination date shall be excluded.

### 3. Special Vesting and Minimum Benefit

The following rules will apply only to employees not included in a unit of employees covered by a collective bargaining agreement requiring contribution to this Plan and only if the Plan as a whole becomes Top Heavy. Such employees are referred to herein as Top Heavy Employees.

#### (a) Vesting

(i) Applicability. If the Plan becomes Top Heavy the vesting schedule set forth in paragraph (ii) below shall apply to the accrued benefit of every Top Heavy Employee who has at least one Week of Service after the date the Plan becomes Top Heavy. Participants who do not have a Week of Service after that date will have their vesting determined under the regular vesting schedule.

(ii) Special Vesting Schedule. If the Plan becomes Top Heavy, the following vesting schedule shall apply instead of the Plan's regular vesting schedule for all Plan Years beginning after the first determination date as of which the Plan is determined to be Top Heavy:

<u>Years of Credit Service</u>	<u>Percentage</u>
2	20
3	40
4	60
5	80
6 or more	100

#### (b) Special Minimum Benefit Rules

(i) Applicability. If the Plan becomes Top Heavy, then for the first year that the Plan is Top Heavy, and for all subsequent years, the minimum benefit set forth in paragraph (ii) below shall apply to all Top Heavy Employees who have not separated from service at the end of any such Plan Year or have a Year of Credit during any such Plan Year.

(ii) Special Minimum Benefit. If the Plan becomes Top Heavy, the minimum Normal Retirement Benefit for Top Heavy Employees (other than Key Employees) shall be the greater of (I) the Plan's Normal Retirement Benefit determined under Article D 2, or (II) 2 percent of the Participant's Average Top Heavy Compensation for each Year of Credit based on Covered Service beginning after June 30, 1984, during which the Plan was Top Heavy, up to a maximum of 10 such years.

(iii) Average Top Heavy Compensation shall mean the average Compensation for the period of consecutive Top Heavy Years, not exceeding 5, during which the Participant had the greatest aggregate Compensation. Top Heavy Years are those Plan Years beginning after June 30, 1984 for which the Plan is determined to be Top Heavy.

(iv) Under paragraph 3(b)(i) of this Article K, Top-Heavy Employees accrue a minimum benefit if they have not separated from service during the year (regardless of their hours or compensation) or if they have a Year of Credit during the year. Under paragraph 3

of Article C, a Year of Credit is 20 Weeks of Service. Thus, any Top-Heavy Employee who has 20 Weeks of Service in a Plan Year will accrue a minimum benefit under the Plan as written.

## ARTICLE L MISCELLANEOUS PROVISIONS

### 1. Separate Plans

A "Separate Plan" is one established by an Employer for the benefit of his own employees prior to October 22, 1949, which Plan complies at all times with the provisions of all applicable Federal or State laws, or valid Federal or State rules and regulations applicable to tax exempt retirement Trusts. The following provisions shall apply to employees who participate in Separate Plans, notwithstanding any other provisions of this Plan:

(a) No employee shall become or remain a Participant hereunder (active or inactive) while he participates in a Separate Plan, unless he was a Vested Participant hereunder when that Participation began. Until such Participation begins, he shall be eligible for Participation hereunder and contributions shall be payable hereto on his behalf, the same as though said Separate Plan did not exist. Once such Participation begins, his Participation hereunder shall terminate, unless he has already Vested hereunder.

(b) When an employee ceases to participate in a Separate Plan, he may become a new Participant hereunder under the rules set forth in Article B, and he may count Lithographic Production Work while participating in the Separate Plan for purposes of qualifying for Participation hereunder. Furthermore, if he leaves the Separate Plan without Vested rights to a pension thereunder and then becomes a Participant of this Plan, the Employer maintaining the Separate Plan shall contribute to this Plan the amount specified hereafter covering the period of the employee's Participation in the Separate Plan. Once such a contribution is made, it shall be as though the employee had been a Participant hereunder throughout the period covered by that contribution. However, no such contributions will be payable if, despite the contribution, Participation would be terminated under Article B hereof between the date Participation in the Separate Plan terminated and the first Weekly Pay Period thereafter for which a regular contribution becomes payable hereto on the employee's behalf.

(c) If a contribution is required of the Employer maintaining a Separate Plan covering the period of Participation therein, it shall be in such amount as would have been paid hereto on the Participant's behalf had he not participated in the Separate Plan, together with interest at the rate of 2 1/2%, compounded annually.

### 2. Excused Absence

Excused Absences are significant only for determining Past Service Credits under Paragraph C 2. An "Excused Absence" is a period of time during which the individual is unable to engage in the required employment hereunder for one or more of the following reasons:

(a) Physical or mental disability, but not exceeding 12 consecutive months in cases of maternity;

(b) Time spent in the military service of the United States for so long as re employment rights are guaranteed by law, but only if the individual returns to the work required hereunder (but not necessarily to the same business enterprise) within the time allowed by law to exercise his re employment rights;

(c) Lockout or strike;

(d) Any other valid reason set forth in rules of general applicability approved by the Joint Board, subject to any conditions which it may prescribe. Any such reason may be approved for all purposes hereunder or for specified purposes only. In the formulation of rules relating to Excused Absences, and in the application of such rules, all members under similar circumstances must be treated alike.

## ARTICLE M ELIGIBLE ROLLOVER DISTRIBUTIONS

1. Transfers to the Plan. This Plan does not accept eligible rollover distributions.

2. Transfers from the Plan. This paragraph applies to distributions made on or after January 1, 1993. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this paragraph, a distributee may elect, at the time and in the manner prescribed by the Joint Board, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

3. Definitions. The following definitions shall apply to this Article:

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

(b) Eligible Retirement Plan. An eligible retirement plan is (i) an individual retirement account described in section 408(a) of the Code, (ii) an individual retirement annuity described in section 408(b) of the Code, (iii) an annuity plan described in section 403(a) of the Code, (iv) a qualified trust described in section 401(a) of the Code, (v) an eligible deferred compensation plan described in section 457(b) of the Code which is maintained by an eligible employer described in section 457(e) (1) (A) of the Code, and (vi) an annuity contract described in section 403(b) of the Code, that accepts the distributee's eligible rollover distribution. For distributions after December 31, 2001, these rules shall also apply to the surviving spouse of a Participant receiving an eligible rollover distribution. For distributions after December 31, 2007, an eligible retirement plan also includes a Roth individual retirement account or Roth individual retirement annuity described in Section 408A of the Code. For a non-spouse beneficiary, an eligible retirement plan is an individual retirement account or annuity described in Section 408(a) of the Internal Revenue Code ("Code") or section 408(b) of the Code or a Roth individual retirement account or annuity described in Section 408A of the Code, provided that such IRA or Roth IRA is established on behalf of the designated beneficiary and will be treated as an inherited IRA pursuant to the provisions of Section 402(c)(11) of the Code.

(c) Distributee. A distributee includes an employee or former employee. In addition, the employee's or former employee's surviving spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in section 414(p) of the

Code, are distributees with regard to the interest of the spouse or former spouse. For distributions made after July 1, 2010, a distributee also includes a non-spouse beneficiary.

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

## **ARTICLE N REEMPLOYMENT UNDER THE UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT**

It is the intent of this Plan to comply with the reemployment rights of members of the Uniformed Services as specified in 38 United States Code Chapter 43 ("USERRA") and Internal Revenue Code section 414(u). Therefore, 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 Internal Revenue Code.

### 1. Definitions

(a) Qualified Military Service means any service in the Uniformed Services of the United States by any individual if such individual is entitled to reemployment rights with respect to such service under USERRA.

(b) Uniformed Services means:

- (i) the Armed Forces;
- (ii) the Army National Guard and the Air National Guard when engaged in active duty for training, inactive duty for training, or full-time National Guard duty;
- (iii) the commissioned corps of the Public Health Service; and
- (iv) any other category of persons designated by the President of the United States in time of war or emergency.

2. Breaks in Service. Notwithstanding any other provision of this Plan to the contrary, an individual reemployed under USERRA will not be treated as having incurred a One-Year in Service by reason of such person's period of Qualified Military Service.

3. Years of Vesting Credit. Each period of Qualified Military Service served by an individual is, upon reemployment by an Employer under USERRA, deemed to constitute service with the Employer during the period it was a contributing Employer to the Plan. For purposes of determining Years of Vesting Credit, the individual will be credited with 190 Hours of Service for each month, or partial month, of Qualified Military Service.

4. Benefit Accruals. Each period of Qualified Military Service served by an individual, is upon reemployment by an Employer under USERRA, deemed to constitute service with that Employer for purposes of determining the accrual of benefits under the Plan as follows:

(a) only periods during which the Employer was a party to a collective bargaining agreement pursuant to which the Plan was maintained will be counted;

(b) the returning employee will be considered to have been in the same category of employment during Qualified Military Service as the category in which he was employed immediately before such Service;

(c) the amount of benefit accrued shall be computed,

(i) at the rate the employee would have received but for the period of Qualified Military Service, or

(ii) if the determination of such rate is not reasonably certain, on the basis of the employee's average pay rate, hours, or compensation during the 12-month period immediately preceding such Service (or, if shorter, the period of employment immediately preceding such Service); and

(iii) in the same manner and to the same extent that benefits were accrued for other employees during the period of Qualified Military Service.

5. Notice Any Employer who reemploys a person under USERRA shall, within 30 days after the date of such reemployment, provide information, in writing, of such reemployment to the Plan.

6. Cost. The cost of any additional benefits earned by a person during Qualified Military Service shall be paid for as provided in the reemploying Employer's collective bargaining agreement, provided that if the Employer is required to pay the cost, that payment must be completed within one year of reemployment. In the absence of any specific provision in such agreement, the cost shall be borne by the Plan, and no additional contributions shall be required from the Employer.

7. HEART Act. If a Participant dies while performing Qualified Military Service, the survivors of the Participant are entitled to any additional benefits (other than benefit accruals relating to the period of Qualified Military Service) provided under the Plan had the Participant resumed and then terminated employment on account of death.

## ARTICLE O MINIMUM DISTRIBUTION REQUIREMENTS

### 1. General Rules

(a) Effective Date. The provisions of this Article will apply for purposes of determining required minimum distributions for calendar years beginning after December 31, 2005. For purposes of determining minimum required distributions for calendar years 2003, 2004, and 2005, a good faith interpretation of the requirements of Paragraph 401(a)(9) of the Code shall apply.

### (b) Precedence

(1) The requirements of this Article will take precedence over any inconsistent provisions of the Plan, including Article E-5.

(2) This Article does not authorize any distribution options not otherwise provided under the Plan.

(c) Requirements of Treasury Regulations Incorporated. All distributions required under this Article will be determined and made in accordance with the Treasury regulations under Paragraph 401(a)(9) of the Internal Revenue Code.

## 2. Time and Manner of Distribution

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

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

(1) If the Participant's surviving spouse is the Participant's sole designated beneficiary, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70½, if later.

(2) If the Participant's surviving spouse is not the Participant's sole designated beneficiary, distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

(3) If there is no designated beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(4) If the Participant's surviving spouse is the Participant's sole designated beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this Paragraph 2(b), other than Paragraph 2(b)(1), will apply as if the surviving spouse were the Participant.

For purposes of this Article O-2 and Article O-5, distributions are considered to begin on the Participant's Required Beginning Date (or, if Article O-2(b)(4) applies, the date distributions are required to begin to the surviving spouse under Article O-2(b)(1)). If annuity payments irrevocably commence to the Participant before the Participant's required beginning date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under Article O-2(b)(1)), the date distributions are considered to begin is the date distributions actually commence.

(c) Unless the Participant's interest is distributed in a single sum on or before the Required Beginning Date, as of the first distribution calendar year distributions will be made in accordance with Paragraphs 3, 4 and 5 of this Article.

## 3. Determination of Amount to be Distributed Each Year

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

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

(2) the distribution period will be over a life (or lives) or over a period certain not longer than the period described in Article O-4 or O-5;

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

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

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

(B) to the extent of the reduction in the amount of the Participant's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in Article O-4 dies or is no longer the Participant's beneficiary pursuant to a qualified domestic relations order;

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

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

(b) The amount that must be distributed on or before the Participant's Required Beginning Date (or, if the Participant dies before distributions begin, the date distributions are required to begin under Article O-2(b)(1) or (2)) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received, e.g., bi-monthly, monthly, semi-annually, or annually. All of the Participant's benefit accruals as of the last day of the first distribution calendar year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the Participant's required beginning date.

(c) Any additional benefits accruing to the Participant in a calendar year after the first distribution calendar year will be distributed beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.

#### 4. Requirements for Annuity Distributions that Commence During Participant's Lifetime

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

(b) Unless the Participant's spouse is the sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the Participant's lifetime may not exceed the applicable distribution period for the Participant under the Uniform Lifetime Table set forth in Paragraph 1.401(a)(9)-9 of the Treasury regulations for the calendar year that contains the Annuity Starting

Date. If the Annuity Starting Date precedes the year in which the Participant reaches age 70, the applicable distribution period for the Participant is the distribution period for age 70 under the Uniform Lifetime Table set forth in Paragraph 1.401(a)(9)-9 of the Treasury regulations plus the excess of 70 over the age of the Participant as of the Participant's birthday in the year that contains the Annuity Starting Date. If the Participant's spouse is the Participant's sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the Participant's applicable distribution period, as determined under this Paragraph 4(b), or the joint life and last survivor expectancy of the Participant and the Participant's spouse as determined under the Joint and Last Survivor Table set forth in Paragraph 1.401(a)(9)-9 of the Treasury regulations, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the calendar year that contains the Annuity Starting Date.

#### 5. Requirements for Minimum Distributions Where Participant Dies Before Date Distributions Begin

(a) If the Participant dies before the date distribution of his or her interest begins and there is a designated beneficiary, the Participant's entire interest will be distributed, beginning no later than the time described in Article O-2(b)(1) or (2), over the life of the designated beneficiary or over a period certain not exceeding:

(1) unless the Annuity Starting Date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year immediately following the calendar year of the Participant's death; or

(2) if the Annuity Starting Date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year that contains the Annuity Starting Date.

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

(c) If the Participant dies before the date distribution of his or her interest begins, the Participant's surviving spouse is the Participant's sole designated beneficiary, and the surviving spouse dies before distributions to the surviving spouse begin, this Section 5 will apply as if the surviving spouse were the Participant, except that the time by which distributions must begin will be determined without regard to Section 2(b)(1).

#### 6. Definitions

(a) Designated Beneficiary. The individual who is designated as the beneficiary under Article G-5 of the Plan and is the designated beneficiary under section 401(a)(9) of the Internal Revenue Code and section 1.401(a)(9)-4 of the Treasury regulations.

(b) Distribution Calendar Year. A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin pursuant to Section 2(b).



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

(d) Required Beginning Date. The date specified in Article E-5 of the Plan.

## APPENDIX A

### PRIOR NORMAL RETIREMENT BENEFIT ACCRUAL RULES APPLYING TO IDENTIFIED PARTICIPANTS WHO DO NOT QUALIFY FOR BENEFITS UNDER CURRENT ARTICLE D 2:

1. **1981 Benefit Increase.** The benefits for any Participant retiring on or after September 1, 1981 shall be determined in accordance with (i) and (ii) below if the Participant either was (1) eligible for Early or Normal Retirement prior to May 1, 1979, or (2) satisfied the 78/79 Service Requirement set forth below, and became eligible for Early or Normal Retirement between May 1, 1979 and August 31, 1981, or (3) satisfied both of the following Service Requirements:

The 78/79 Service Requirement: Ten Weeks of Service and/or Excused Absences in either the Plan Year ending June 30, 1978, or the Plan Year ending June 30, 1979.

The 80/81 Service Requirement: Ten Weeks of Service and/or Excused Absences in either the Plan Year ending June 30, 1980, or the Plan Year ending June 30, 1981.

The benefits for all other Participants retiring on or after September 1, 1981, shall be determined in accordance with (A) below for Service from September 1, 1981, but for Service prior to that date, the Plan provisions in effect immediately before May 1, 1979 will apply -- e.g., by using the multiples of .1022% and 183.2% for Future and Past Service respectively -- except as follows:

(A) For persons who were not eligible for Early or Normal Retirement by September 1, 1981, and who satisfied only the 78/79 Service Requirement, the Future Service multiples will be 20% higher than those which applied before May 1, 1979, e.g., .12264% for all Future Service and 219.84% for Past Service.

(B) For persons who became eligible for Early or Normal Retirement between May 1, 1979 and August 31, 1981, or who satisfied the 80/81 Service Requirement, but did not also satisfy the 78/79 Service Requirement, the multiples will be 25% higher than those which applied before May 1, 1979, e.g., .12775% for all Future Service and 229% for Past Service.

(C) Under no circumstances will the Future Service multiple for Service from May 1979 through August 1981 be less than .12264%.

(i) **Future Service Benefits.** Except as provided above, the monthly normal retirement benefit for Future Service shall be a percentage of the sum of the Basic Weekly Wage Rates based upon which Required Contributions were actually paid on the Participant's behalf for the period ending June 30, 1976, or are payable on his behalf (whether or not actually paid) for Covered Service after June 30, 1976. That percentage shall be .1533%, increasing to .1640% for persons who first retire on or after July 1, 1985, and who earned at least 10 Weeks of Service during the Plan Year which ended June 30, 1985. The .1533% figure shall apply in any event to benefits based upon employment between September 1, 1981 and July 1, 1985 and the .1640% figure shall apply in any event to benefits based upon employment on or after July 1, 1985.

(ii) **Past Service Benefits.** Except as provided above, the monthly normal retirement benefit for each Year of Past Service Credit shall be 274.8% of the benefit determined from the following table, based upon the Participant's attained age at the time the work was performed, increasing to 294% for persons who first retire on or after July 1, 1985 and who had at least 10 Weeks of Service during the Plan Year which ended June 30, 1985. (For this

purpose, all Participants will be deemed to attain their next year of age on July 1 of each year, and a Participant's age on July 1, 1950, will be determined by subtracting the calendar year in which he was born from 1950.)

After Age 55:	\$2.00
Before Age 55:	1.872% of the Participant's basic weekly wage rate on his Participation Date, but not exceeding: \$1.50 for work after age 45, but before age 55; \$1.00 for work after age 35, but before age 45; \$0.50 for work before age 35.

2. July 1, 1985 Benefit Increase. Participants who first retire on or after July 1, 1985 but who are not eligible for benefits based on the .1640% and 294% figures set forth in (i) and (ii) above shall receive benefits 7% higher than those to which they would otherwise be entitled under the foregoing rules if they were already eligible for Early or Normal Retirement by June 30, 1985.

3. July 1, 1987 Benefit Increase. Normal Retirement Benefits shall be calculated as set forth in (I) and (II) below for Participants retiring effective on or after July 1, 1987, and before May 1, 1988.

(I) Future Service Benefits. The monthly normal retirement benefit for Future Service shall be .1722% of the sum of the Basic Weekly Wage Rates based upon which required contributions were actually paid on the Participant's behalf of the period ending June 30, 1976, or are payable on his behalf (whether or not actually paid) for Covered Service after June 30, 1976, provided that the Participant either:

(A) was eligible to retire and begin collecting Early or Normal Retirement Benefits when he last earned Future Service Credits prior to July 1, 1987

- OR -

(B) earns at least 10 Weeks of Service and/or Excused Absence after June 30, 1987, ignoring any Weeks of Service and/or Excused Absence attributable to a collective bargaining agreement which had expired prior to July 1, 1987, and was not subsequently renewed within a year of that effective expiration date.

(II) Past Service Benefits. The monthly normal retirement benefit for each Year of Past Service Credit shall be determined from the following table, based upon the Participant's attained age at the time the work was performed. (For this purpose, all Participants will be deemed to attain their next year of age on July 1 of each year, and a Participant's age on July 1, 1950 will be determined by subtracting the calendar year in which he was born from 1950.)

After Age 55:	\$6.17
Before Age 55:	5.779% of the Participant's basic weekly rate on his Participation Date, but not exceeding: \$4.63 for work after age 45, but before age 55 \$3.09 for work after age 35, but before age 45 \$1.54 for work before age 35

4. May 1, 1988 Benefit Increase. Normal Retirement Benefits shall be calculated as set forth in (I) and (II) below, for Participants retiring effective on or after May 1, 1988, and before July 1, 1990.

(I) Future Service Benefits. The monthly normal retirement benefit for Future Service shall be a percentage of the sum of the Basic Weekly Wage Rates based upon which required contributions were actually paid on the Participant's behalf for the period ending June 30, 1976, or are payable on his behalf (whether or not actually paid) for Covered Service after June 30, 1976. For Participants retiring effective on or after May 1, 1988, that percentage shall be .1782 percent if the Participant had not incurred a One Year Break in Service as of May 1, 1988.

(II) Past Service Benefits. The monthly normal retirement benefit for each Year of Past Service Credit shall be determined from the following table, based upon the Participant's attained age at the time the work was performed. (For this purpose, all Participants will be deemed to attain their next year of age on July 1 of each year, and a Participant's age on July 1, 1950, will be determined by subtracting the calendar year in which he was born from 1950.)

After Age 55:	\$6.39
Before Age 55:	5.981% of the Participant's basic weekly rate on his Participation Date, but not exceeding: \$4.79 for work after age 45, but before age 55 \$3.20 for work after age 35, but before age 45 \$1.59 for work before age 35.

5. May 1, 1988 Benefit Increase for Certain Inactive Participants. As of May 1, 1988, Inactive Participants who were eligible to retire on that date will have their benefit (as calculated above) increased by 3.5%.

6. July 1, 1990 Benefit Increase. Normal Retirement Benefits shall be calculated as set forth in (I) below, for Participants retiring effective on or after July 1, 1990, and before July 1, 1991.

(I) Future Service Benefits. The monthly normal retirement benefit for Future Service shall be a percentage of the sum of the Basic Weekly Wage Rates based upon which required contributions were actually paid on the Participant's behalf for the period ending June 30, 1976, or are payable on his behalf (whether or not actually paid) for Covered Service after June 30, 1976. For Participants who retire on or after May 1, 1988 and had not incurred a One Year Break in Service as of May 1, 1988, that percentage shall be determined as follows:

- (A) For the period prior to July 1, 1990 - .1782 percent;
- (B) For the period from July 1, 1990 to July 1, 1993 - .2083 percent;
- (C) For the period from July 1, 1993 - .1782 percent.

7. July 1, 1991 Benefit Increase. The Future Service component of Normal Retirement Benefits shall be calculated as set forth in (I) below for Participants retiring effective on or after July 1, 1991 and before October 1, 1996.

(I) Future Service Benefits. The monthly Normal Retirement Benefit for Future Service shall be a percentage of the sum of the Basic Weekly Wage Rates based upon which required contributions were actually paid on the Participant's behalf for the period ending June 30, 1976, or are payable on his behalf (whether or not actually paid) for Covered Service after June 30, 1976. For Participants who retire on or after July 1, 1991 and have not incurred a One Year Break in Service as of July 1, 1991, that percentage shall be determined as follows:

- (A) For the period prior to July 1, 1990 - .1782 percent;
- (B) For the period from July 1, 1990 to July 1, 1994 - .2083 percent;
- (C) For the period from July 1, 1994 - .1782 percent.

8. October 1, 1996 Benefit Increase.

(I) Future Services Benefits. The monthly Normal Retirement Benefit for Future Service for retirements effective on or after October 1, 1996, shall be determined as follows:

(A) For Covered Service before July 1, 1996, a percentage of the sum of the Basic Weekly Wage Rates based upon which Required Contributions were actually paid on the Participant's behalf for the period ending June 30, 1976, or are payable on his behalf (whether or not actually paid) for Covered Service after June 30, 1976. For Participants who retire on or after October 1, 1996 and have not incurred a One Year Break in Service as of October 1, 1996, that percentage shall be .2083 percent.

(B) For Covered Service on or after July 1, 1996, a Participant shall receive a Monthly Retirement Benefit equal to a percent of Required Contributions depending on when the Covered Service was performed, determined as follows:

(i) 3.472% of Required Contributions paid or payable on behalf of the Participant for the period July 1, 1996 through June 30, 1997, and

(ii) 2.970% of Required Contributions paid or payable on behalf of the Participant for the period on or after July 1, 1997.

9. July 1, 1997 Benefit Increase.

(a) Future Services Benefits. The monthly Normal Retirement Benefit for Future Service for retirements effective on or after July 1, 1997 shall be determined as follows:

(i) For Covered Service before July 1, 1996, a percentage of the sum of the Basic Weekly Wage Rates based upon which Required Contributions were actually paid on the Participant's behalf for the period ending June 30, 1976, or are payable on his behalf (whether or not actually paid) for Covered Service after June 30, 1976. For Participants who retire on or after October 1, 1996 and have not incurred a One Year Break in Service as of October 1, 1996, that percentage shall be .2083 percent.

(ii) For Covered Service on or after July 1, 1996, a Participant shall receive a Monthly Retirement Benefit equal to a percent of Required Contributions depending on when the Covered Service was performed, determined as follows:

(A) 3.472% of Required Contributions paid or payable on behalf of the Participant for the period July 1, 1996 through June 30, 2002, and

(B) 2.970% of Required Contributions paid or payable on behalf of the Participant for the period on or after July 1, 2002.

## APPENDIX B

### INCREASES IN BENEFITS FOR RETIRED PARTICIPANTS

1. July 1, 1985 Benefit Increases for Retirees and Certain Other Participants. Any Participant who retired before July 1, 1985, received a 7% increase in benefits payable on or after that date.

2. July 1, 1987 Benefit Increases for Retirees and Certain Other Participants. Participants who retired effective before July 1, 1987 received a five percent increase in their retirement benefits (excluding Supplemental Early Retirement Benefits) retroactive to July 1, 1986, or, if later, the actual effective date of their retirement; spouses or persons who died during this one-year period were entitled to this increase, but no other beneficiary was so entitled.

3. May 1, 1988 Benefit Increases for Retirees or Their Beneficiaries. Participants who retired effective before May 1, 1988 (or their beneficiaries) received benefit increases of \$10.40 per month.

4. July 1, 1990 Benefit Increase for Retirees or Their Beneficiaries. Participants (or their beneficiaries) who retired on or before July 1, 1988 had their benefits increased effective July 1, 1990, by \$4.00 per month for each full year from the effective date of their pension benefit to June 30, 1989.

5. July 1, 1991 Benefit Increase for Retirees or Their Beneficiaries. Participants (or their beneficiaries) who retired before July 1, 1991 had their retirement benefits (excluding Supplementary Early Retirement Benefits) increased by five percent (5.00%), effective July 1, 1991.

6. October 1, 1996 Benefit Increase for Retirees or Their Beneficiaries. Participants as of October 1, 1996, who retired before July 1, 1976 (or their beneficiaries) had their retirement benefits (excluding Supplemental Early Retirement Benefits) increased by ten percent (10%).

7. December 1, 1996 Benefit Increase for Retirees or Their Beneficiaries. Participants (or their beneficiaries) who retire on or before December 1, 1996 had their Retirement Benefits (excluding Supplemental Early Retirement Benefits) increased by two percent (2%).

**APPENDIX C**

**RETIREMENT FACTORS ON ACTUARIAL EQUIVALENCE BASIS  
SAN FRANCISCO LITHOGRAPHERS PENSION TRUST  
10-Year Guarantee Period**

AGE	MONTHS											
	0	1	2	3	4	5	6	7	8	9	10	11
65	100.0%	100.8%	101.7%	102.5%	103.3%	104.2%	105.0%	105.8%	106.7%	107.5%	108.3%	109.2%
66	110.0%	110.9%	111.9%	112.8%	113.8%	114.7%	115.7%	116.6%	117.5%	118.5%	119.4%	120.4%
67	121.3%	122.4%	123.4%	124.5%	125.5%	126.6%	127.6%	128.7%	129.7%	130.8%	131.8%	132.9%
68	133.9%	135.1%	136.3%	137.5%	138.7%	139.9%	141.1%	142.2%	143.4%	144.6%	145.8%	147.0%
69	148.2%	149.5%	150.9%	152.2%	153.5%	154.9%	156.2%	157.5%	158.9%	160.2%	161.5%	162.9%
70	164.2%	165.7%	167.2%	168.7%	170.2%	171.7%	173.3%	174.8%	176.3%	177.8%	179.3%	180.8%
71	182.3%	184.0%	185.7%	187.4%	189.1%	190.8%	192.6%	194.3%	196.0%	197.7%	199.4%	201.1%
72	202.8%	204.7%	206.7%	208.6%	210.6%	212.5%	214.5%	216.4%	218.3%	220.3%	222.2%	224.2%
73	226.1%	228.3%	230.5%	232.7%	234.9%	237.1%	239.4%	241.6%	243.8%	246.0%	248.2%	250.4%
74	252.6%	255.1%	257.6%	260.2%	262.7%	265.2%	267.7%	270.2%	272.7%	275.3%	277.8%	280.3%
75	282.8%	285.7%	288.6%	291.5%	294.4%	297.3%	300.2%	303.1%	306.0%	308.9%	311.8%	314.7%
76	317.6%	320.9%	324.3%	327.6%	330.9%	334.3%	337.6%	340.9%	344.3%	347.6%	350.9%	354.3%
77	357.6%	361.5%	365.3%	369.2%	373.0%	376.9%	380.8%	384.6%	388.5%	392.3%	396.2%	400.0%
78	403.9%	408.4%	412.9%	417.4%	421.9%	426.4%	430.9%	435.4%	439.9%	444.4%	448.9%	453.4%
79	457.9%	463.2%	468.5%	473.8%	479.0%	484.3%	489.6%	494.9%	500.2%	505.5%	510.7%	516.0%
80	521.3%											

*\* Mortality is based on the 1994 Group Annuity Mortality Table blended 50% male and 50% female. The interest rate is 7%.*



**APPENDIX D**

**RETIREMENT FACTORS ON ACTUARIAL EQUIVALENCE BASIS  
SAN FRANCISCO LITHOGRAPHERS PENSION TRUST  
No Guarantee Period**

AGE	MONTHS											
	0	1	2	3	4	5	6	7	8	9	10	11
65	100.0%	100.9%	101.8%	102.7%	103.5%	104.4%	105.3%	106.2%	107.1%	108.0%	108.8%	109.7%
66	110.6%	111.6%	112.6%	113.6%	114.6%	115.6%	116.6%	117.6%	118.6%	119.6%	120.6%	121.6%
67	122.6%	123.7%	124.9%	126.0%	127.2%	128.3%	129.5%	130.6%	131.7%	132.9%	134.0%	135.2%
68	136.3%	137.6%	138.9%	140.2%	141.5%	142.8%	144.1%	145.4%	146.7%	148.0%	149.3%	150.6%
69	151.9%	153.4%	154.9%	156.4%	157.8%	159.3%	160.8%	162.3%	163.8%	165.3%	166.7%	168.2%
70	169.7%	171.4%	173.1%	174.8%	176.5%	178.2%	180.0%	181.7%	183.4%	185.1%	186.8%	188.5%
71	190.2%	192.2%	194.1%	196.1%	198.1%	200.0%	202.0%	204.0%	205.9%	207.9%	209.9%	211.8%
72	213.8%	216.1%	218.4%	220.7%	222.9%	225.2%	227.5%	229.8%	232.1%	234.4%	236.6%	238.9%
73	241.2%	243.9%	246.5%	249.2%	251.9%	254.5%	257.2%	259.9%	262.5%	265.2%	267.9%	270.5%
74	273.2%	276.3%	279.5%	282.6%	285.7%	288.9%	292.0%	295.1%	298.3%	301.4%	304.5%	307.7%
75	310.8%	314.5%	318.2%	321.9%	325.5%	329.2%	332.9%	336.6%	340.3%	344.0%	347.6%	351.3%
76	355.0%	359.4%	363.8%	368.2%	372.5%	376.9%	381.3%	385.7%	390.1%	394.5%	398.8%	403.2%
77	407.6%	412.8%	418.1%	423.3%	428.6%	433.8%	439.1%	444.3%	449.5%	454.8%	460.0%	465.3%
78	470.5%	476.8%	483.1%	489.4%	495.7%	502.0%	508.4%	514.7%	521.0%	527.3%	533.6%	539.9%
79	546.2%	553.8%	561.5%	569.1%	576.8%	584.4%	592.1%	599.7%	607.3%	615.0%	622.6%	630.3%
80	637.9%											

\* Mortality is based on the 1994 Group Annuity Mortality Table blended 50% male and 50% female. The interest rate is 7%.

<b>Cumulative e-File History 2019</b>	
<b>Federal</b>	
Locator:	[REDACTED]
Taxpayer Name:	San Francisco Lithographers Pension
Return Type:	5500
Submitted Date:	04/15/2021 16:32:21
Acknowledgement Date:	04/15/2021 16:56:36
Status:	Accepted
Submission ID:	[REDACTED]

**Authorized Multiemployer Plan e-Signature Affidavit**

**San Francisco Lithographers Pension Trust; E.I.N. 94-6052228; Plan No. 001**

**Form 5500 for the year beginning July 1, 2019 and ending June 30, 2020**

By signing below, we represent that we are authorized to act on behalf of the Board of Trustees of the above referenced plan, which is the plan administrator, and we authorize Miller Kaplan Arase LLP ("MKA") to electronically submit Form 5500 on its behalf under the "additional e-signature option." MKA will maintain a copy of this authorization for its records.

We have manually signed the Form 5500 and understand that MKA will attach to the electronic filing, in addition to any other required schedules or attachments, a true and correct PDF copy of the first two pages of the completed Form 5500 bearing our manual signatures. We further understand that the PDF image of our manual signatures will be included with the Form 5500 posted by the U.S. Department of Labor (DOL) on the Internet for public disclosure.

We understand that MKA will communicate to us, and to the Board of Trustees of the plan, any inquiries and information received from EFAST2, DOL, IRS or PBGC regarding this Form 5500 annual return/report.

LEE E. HATTINEN [Signature] - 03/31/2021  
UNION TRUSTEE (Print Name - Signature - Date)

\_\_\_\_\_  
EMPLOYER TRUSTEE (Print Name - Signature - Date)

**Authorized Multiemployer Plan e-Signature Affidavit**

**San Francisco Lithographers Pension Trust; E.I.N. 94-6052228; Plan No. 001**


**Form 5500 for the year beginning July 1, 2019 and ending June 30, 2020**

By signing below, we represent that we are authorized to act on behalf of the Board of Trustees of the above referenced plan, which is the plan administrator, and we authorize Miller Kaplan Arase LLP ("MKA") to electronically submit Form 5500 on its behalf under the "additional e-signature option." MKA will maintain a copy of this authorization for its records.

We have manually signed the Form 5500 and understand that MKA will attach to the electronic filing, in addition to any other required schedules or attachments, a true and correct PDF copy of the first two pages of the completed Form 5500 bearing our manual signatures. We further understand that the PDF image of our manual signatures will be included with the Form 5500 posted by the U.S. Department of Labor (DOL) on the Internet for public disclosure.

We understand that MKA will communicate to us, and to the Board of Trustees of the plan, any inquiries and information received from EFAST2, DOL, IRS or PBGC regarding this Form 5500 annual return/report.

\_\_\_\_\_  
UNION TRUSTEE (Print Name – Signature - Date)

 \_\_\_\_\_ Dan Nelson \_\_\_\_\_ 3/20/2021  
EMPLOYER TRUSTEE (Print Name – Signature - Date)



<b>Form 5500</b> Department of the Treasury Internal Revenue Service  Department of Labor Employee Benefits Security Administration  Pension Benefit Guaranty Corporation	<b>Annual Return/Report of Employee Benefit Plan</b> 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).  <b>▶ Complete all entries in accordance with the instructions to the Form 5500.</b>	OMB Nos. 1210-0110 1210-0089  <b>2019</b>  <b>This Form is Open to Public Inspection</b>
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<b>Part I Annual Report Identification Information</b>	
For calendar plan year 2019 or fiscal plan year beginning <u>07/01/2019</u> and ending <u>06/30/2020</u>	
<b>A</b> This return/report is for: <input checked="" type="checkbox"/> a multiemployer plan	<input type="checkbox"/> a multiple-employer plan ( filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
<b>B</b> This return/report is: <input type="checkbox"/> a single-employer plan	<input type="checkbox"/> a DFE (specify) _____
<input type="checkbox"/> the first return/report	<input type="checkbox"/> the final return/report
<input type="checkbox"/> an amended return/report	<input type="checkbox"/> a short plan year return/report (less than 12 months)
<b>C</b> If the plan is a collectively-bargained plan, check here ..... <input checked="" type="checkbox"/>	<b>D</b> Check box if filing under: <input checked="" type="checkbox"/> Form 5558
<input type="checkbox"/> special extension (enter description)	<input type="checkbox"/> automatic extension <input type="checkbox"/> the DFVC program

<b>Part II Basic Plan Information - enter all requested information</b>											
<b>1a</b> Name of plan SAN FRANCISCO LITHOGRAPHERS PENSION TRUST	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;"><b>1b</b> Three-digit plan number (PN) ▶</td> <td style="width:40%; text-align: center;">001</td> </tr> <tr> <td><b>1c</b> Effective date of plan</td> <td style="text-align: center;">03/28/1950</td> </tr> <tr> <td><b>2b</b> Employer Identification Number (EIN)</td> <td style="text-align: center;">94-6052228</td> </tr> <tr> <td><b>2c</b> Plan Sponsor's telephone number</td> <td style="text-align: center;">415-546-7800</td> </tr> <tr> <td><b>2d</b> Business code (see instructions)</td> <td style="text-align: center;">323100</td> </tr> </table>	<b>1b</b> Three-digit plan number (PN) ▶	001	<b>1c</b> Effective date of plan	03/28/1950	<b>2b</b> Employer Identification Number (EIN)	94-6052228	<b>2c</b> Plan Sponsor's telephone number	415-546-7800	<b>2d</b> Business code (see instructions)	323100
<b>1b</b> Three-digit plan number (PN) ▶	001										
<b>1c</b> Effective date of plan	03/28/1950										
<b>2b</b> Employer Identification Number (EIN)	94-6052228										
<b>2c</b> Plan Sponsor's telephone number	415-546-7800										
<b>2d</b> Business code (see instructions)	323100										
<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) BOARD OF TRUSTEES, SAN FRANCISCO LITHOGRAPHERS PENSION TRUST 1600 HARBOR BAY PKWY SUITE 250 ALAMEDA CA 94502											

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

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

SIGN HERE	<i>[Signature]</i>	03/31/2021	LSE E. LAARTINEN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2019)  
v. 190130

**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**2019****This Form is Open to Public Inspection****Part I Annual Report Identification Information**For calendar plan year 2019 or fiscal plan year beginning 07/01/2019 and ending 06/30/2020

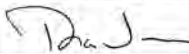
- A** This return/report is for:  a multiemployer plan  a multiple-employer plan (filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- B** This return/report is:  a single-employer plan  a DFE (specify) \_\_\_\_\_  
 the first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

**Part II Basic Plan Information - enter all requested information**

<b>1a</b> Name of plan SAN FRANCISCO LITHOGRAPHERS PENSION TRUST	<b>1b</b> Three-digit plan number (PN) ▶ 001
<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) BOARD OF TRUSTEES, SAN FRANCISCO LITHOGRAPHERS PENSION TRUST 1600 HARBOR BAY PKWY SUITE 250 ALAMEDA CA 94502	<b>1c</b> Effective date of plan 03/28/1950 <b>2b</b> Employer Identification Number (EIN) 94-6052228 <b>2c</b> Plan Sponsor's telephone number 415-546-7800 <b>2d</b> Business code (see instructions) 323100

**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>			
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
<b>SIGN HERE</b>		3/30/2021	Dan Nelson
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
<b>SIGN HERE</b>			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2019)  
v. 190130

<b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	<b>3b</b> Administrator's EIN 94-6052228 <b>3c</b> Administrator's telephone number 415-546-7800
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<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	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;"><b>5</b></td> <td style="text-align: right;">1639</td> </tr> </table>	<b>5</b>	1639
<b>5</b>	1639		
<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 . . . . .	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;"><b>6a(1)</b></td> <td style="text-align: right;">59</td> </tr> </table>	<b>6a(1)</b>	59
<b>6a(1)</b>	59		
<b>a(2)</b> Total number of active participants at the end of the plan year . . . . .	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;"><b>6a(2)</b></td> <td style="text-align: right;">54</td> </tr> </table>	<b>6a(2)</b>	54
<b>6a(2)</b>	54		
<b>b</b> Retired or separated participants receiving benefits . . . . .	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;"><b>6b</b></td> <td style="text-align: right;">803</td> </tr> </table>	<b>6b</b>	803
<b>6b</b>	803		
<b>c</b> Other retired or separated participants entitled to future benefits . . . . .	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;"><b>6c</b></td> <td style="text-align: right;">607</td> </tr> </table>	<b>6c</b>	607
<b>6c</b>	607		
<b>d</b> Subtotal. Add lines 6a(2), 6b, and 6c. . . . .	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;"><b>6d</b></td> <td style="text-align: right;">1464</td> </tr> </table>	<b>6d</b>	1464
<b>6d</b>	1464		
<b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. . . . .	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;"><b>6e</b></td> <td style="text-align: right;">111</td> </tr> </table>	<b>6e</b>	111
<b>6e</b>	111		
<b>f</b> Total. Add lines 6d and 6e. . . . .	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;"><b>6f</b></td> <td style="text-align: right;">1575</td> </tr> </table>	<b>6f</b>	1575
<b>6f</b>	1575		
<b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) . . . . .	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;"><b>6g</b></td> <td style="text-align: right;">0.</td> </tr> </table>	<b>6g</b>	0.
<b>6g</b>	0.		
<b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested. . . . .	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;"><b>6h</b></td> <td style="text-align: right;">0.</td> </tr> </table>	<b>6h</b>	0.
<b>6h</b>	0.		
<b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) . . . . .	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;"><b>7</b></td> <td style="text-align: right;">9</td> </tr> </table>	<b>7</b>	9
<b>7</b>	9		

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

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

<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
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**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

<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"/> <b>A</b> (Insurance Information) (4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information) (5) <input 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.

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

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**11c** Enter the Receipt Confirmation Code for the 2019 Form M-1 annual report. If the plan was not required to file the 2019 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code \_\_\_\_\_

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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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**(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

**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)

ZENITH AMERICAN SOLUTIONS 52-1590516

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 50	NONE	197240	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	0	Yes <input type="checkbox"/> No <input type="checkbox"/>

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

THE SEGAL COMPANY 94-1503999

(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	NONE	105640	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	0	Yes <input type="checkbox"/> No <input type="checkbox"/>

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

GRAYSTONE CONSULTING/MORGAN STANLEY 36-3145972

(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?
27 50	NONE	37500	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	0	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)

MILLER KAPLAN ARASE LLP 95-2036255

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	NONE	24200	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	0	Yes <input type="checkbox"/> No <input type="checkbox"/>

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

SALTZMAN &amp; JOHNSON LAW GROUP 94-2376174

(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	NONE	10770	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	0	Yes <input type="checkbox"/> No <input type="checkbox"/>

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

WEINBERG, ROGER &amp; ROSENFELD 94-2458080

(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	NONE	10800	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	0	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)

CITY NATIONAL BANK 95-1780067

(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?
18 50	NONE	5287	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	0	Yes <input type="checkbox"/> No <input type="checkbox"/>

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

SEGAL SELECT INSURANCE SERVICES 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?
53	NONE	0	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	15214	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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

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

**Part I Service Provider Information (continued)**

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
SEGAL SELECT INSURANCE SERVICES	53	8792

(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 <span style="float: right;">13-1963496</span>	INSURANCE 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 SERVICES	53	6423

(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 <span style="float: right;">45-3957469</span>	INSURANCE COMMISSIONS	

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

**Part II Service Providers Who Fail or Refuse to Provide Information**

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

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



**SCHEDULE H  
(Form 5500)**

Department of the Treasury  
Internal Revenue Service

Department of Labor  
Employee Benefits Security Administration  
Pension Benefit Guaranty Corporation

**Financial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

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

OMB No. 1210-0110

**2019**

**This Form is Open to Public Inspection**

For calendar plan year 2019 or fiscal plan year beginning **07/01/2019** and ending **06/30/2020**

<b>A</b> Name of plan SAN FRANCISCO LITHOGRAPHERS PENSION TRUST		<b>B</b> Three-digit plan number (PN) ► 001
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 BD. OF TRUSTEES, (OF THE ABOVE PLAN)		<b>D</b> Employer Identification Number (EIN) 94-6052228

**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>	577155	477110
<b>b</b> Receivables (less allowance for doubtful accounts):			
<b>(1)</b> Employer contributions . . . . .	<b>1b(1)</b>	21617	20082
<b>(2)</b> Participant contributions . . . . .	<b>1b(2)</b>		
<b>(3)</b> Other . . . . .	<b>1b(3)</b>	152828	65016
<b>c</b> General investments:			
<b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) . . . . .	<b>1c(1)</b>	12348753	5768205
<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>		
<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>		
<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>		
<b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds) . . . . .	<b>1c(13)</b>		
<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>		

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

Schedule H (Form 5500) 2019  
v. 190130

		(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>	519417 532577
<b>f</b>	Total assets (add all amounts in lines 1a through 1e) . . . . .	<b>1f</b>	13619770 6862990
<b>Liabilities</b>			
<b>g</b>	Benefit claims payable . . . . .	<b>1g</b>	
<b>h</b>	Operating payables. . . . .	<b>1h</b>	35811 64225
<b>i</b>	Acquisition indebtedness. . . . .	<b>1i</b>	
<b>j</b>	Other liabilities. . . . .	<b>1j</b>	1353
<b>k</b>	Total liabilities (add all amounts in lines 1g through 1j) . . . . .	<b>1k</b>	37164 64225
<b>Net Assets</b>			
<b>l</b>	Net assets (subtract line 1k from line 1f) . . . . .	<b>1l</b>	13582606 6798765

**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>	276441
	(B) Participants . . . . .	<b>2a(1)(B)</b>	
	(C) Others (including rollovers) . . . . .	<b>2a(1)(C)</b>	
(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>	276441
<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>	139453
	(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>	
	(G) Total interest. Add lines 2b(1)(A) through (F) . . . . .	<b>2b(1)(G)</b>	139453
(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>	
	(D) Total dividends. Add lines 2b(2)(A), (B), and (C) . . . . .	<b>2b(2)(D)</b>	
(3)	Rents . . . . .	<b>2b(3)</b>	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds. . . . .	<b>2b(4)(A)</b>	
	(B) Aggregate carrying amount (see instructions) . . . . .	<b>2b(4)(B)</b>	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result . . . . .	<b>2b(4)(C)</b>	
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate . . . . .	<b>2b(5)(A)</b>	
	(B) Other . . . . .	<b>2b(5)(B)</b>	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B) . . . . .	<b>2b(5)(C)</b>	

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts . . . . .	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts . . . . .	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts . . . . .	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities . . . . .	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) . . . . .	2b(10)		
c Other income . . . . .	2c		1352
d Total income. Add all <b>income</b> amounts in column (b) and enter total . . . . .	2d		417246

**Expenses**

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers. . . . .	2e(1)	6656505	
(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)		6656505
f Corrective distributions (see instructions) . . . . .	2f		
g Certain deemed distributions of participant loans (see instructions). . . . .	2g		
h Interest expense . . . . .	2h		
i Administrative expenses: (1) Professional fees . . . . .	2i(1)	157947	
(2) Contract administrator fees . . . . .	2i(2)	192740	
(3) Investment advisory and management fees . . . . .	2i(3)	37500	
(4) Other . . . . .	2i(4)	156395	
(5) Total administrative expenses. Add lines 2i(1) through (4) . . . . .	2i(5)		544582
j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total . . . . .	2j		7201087

**Net Income and Reconciliation**

k Net income (loss). Subtract line 2j from line 2d . . . . .	2k		-6783841
l Transfers of assets:			
(1) To this plan . . . . .	2l(1)		
(2) From this plan . . . . .	2l(2)		

**Part III Accountant's Opinion**

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

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

(1)  Unqualified (2)  Qualified (3)  Disclaimer (4)  Adverse

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

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

(1) Name: MILLER KAPLAN ARASE LLP (2) EIN: 95-2036255

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:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) . . . . .		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) . . . . .		X	

		Yes	No	Amount
<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	
<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** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? .  Yes  No  Not determined  
 If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4119522 . (See instructions.)

**SAN FRANCISCO LITHOGRAPHERS PENSION TRUST**

FORM 5500

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

EIN 94-6052228; PLAN NO. 001

JUNE 30, 2020

(a) No. of Shares	(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) Carry Value	(e) Fair Value
	<u>Cash Equivalents</u>			
5,768,205	Vanguard Treasury Money Market Fund	Money Market Fund	<u>\$ 5,768,205</u>	<u>\$ 5,768,205</u>

**SAN FRANCISCO LITHOGRAPHERS PENSION TRUST**

FORM 5500

SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

EIN 94-6052228; PLAN NO. 001

JULY 1, 2019 TO JUNE 30, 2020

<u>Description of Asset</u>	<u>Interest Rate (%)</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Selling Price</u>	<u>Carry Value</u>	<u>Net Gain or (Loss)</u>
Vanguard Treasury	N/A	N/A	\$ 139,452	-	\$ 139,452	-
Money Market Fund			-	6,720,000	6,720,000	-

**SCHEDULE R  
(Form 5500)**

Department of the Treasury  
Internal Revenue Service

Department of Labor  
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Retirement Plan Information**

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

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

OMB No. 1210-0110

**2019**

**This Form is Open to Public Inspection.**

For calendar plan year 2019 or fiscal plan year beginning 07/01/2019

and ending 06/30/2020

<b>A</b> Name of plan SAN FRANCISCO LITHOGRAPHERS PENSION TRUST		<b>B</b> Three-digit plan number (PN) ► 001
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 BD. OF TRUSTEES, (OF THE ABOVE PLAN)		<b>D</b> Employer Identification Number (EIN) 94-6052228

**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): 52-1590516

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. . . . . **3** 0.

**Part II Funding Information** (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? . . . . .  Yes  No  N/A  
**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_  
**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

<b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) . . . . .	
<b>b</b> Enter the amount contributed by the employer to the plan for this plan year . . . . .	
<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) . . . . .	

**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 this is a defined benefit pension plan, were any amendments adopted during this plan 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.

Schedule R (Form 5500) 2019 v. 190130

**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.*

<b>a</b>	Name of contributing employer	LITHOTYPE COMPANY, INC.		
<b>b</b>	EIN	94-1617088	<b>c</b>	Dollar amount contributed by employer
				195776
<b>d</b>	Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, enter the applicable date.)			
	Month	Day	Year	
	12	31	2020	
<b>e</b>	Contribution rate information (If more than one rate applies, check this box <input checked="" type="checkbox"/> 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: <input type="checkbox"/> Hourly <input type="checkbox"/> Weekly <input type="checkbox"/> Unit of production <input type="checkbox"/> Other (specify): _____			

<b>a</b>	Name of contributing employer	CONSOLIDATED PRINTING COMPANY		
<b>b</b>	EIN	94-3142542	<b>c</b>	Dollar amount contributed by employer
				37081
<b>d</b>	Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, enter the applicable date.)			
	Month	Day	Year	
	12	31	2020	
<b>e</b>	Contribution rate information (If more than one rate applies, check this box <input checked="" type="checkbox"/> 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: <input type="checkbox"/> Hourly <input type="checkbox"/> Weekly <input type="checkbox"/> Unit of production <input type="checkbox"/> Other (specify): _____			

<b>a</b>	Name of contributing employer	URBAN ARTS LITHOGRAPHY, INC.		
<b>b</b>	EIN	94-3395133	<b>c</b>	Dollar amount contributed by employer
				19550
<b>d</b>	Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, enter the applicable date.)			
	Month	Day	Year	
	12	31	2020	
<b>e</b>	Contribution rate information (If more than one rate applies, check this box <input checked="" type="checkbox"/> 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: <input type="checkbox"/> Hourly <input type="checkbox"/> Weekly <input type="checkbox"/> Unit of production <input type="checkbox"/> Other (specify): _____			

<b>a</b>	Name of contributing employer			
<b>b</b>	EIN		<b>c</b>	Dollar amount contributed by employer
<b>d</b>	Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, enter the applicable date.)			
	Month	Day	Year	
<b>e</b>	Contribution rate information (If more than one rate applies, check this box <input type="checkbox"/> 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: <input type="checkbox"/> Hourly <input type="checkbox"/> Weekly <input type="checkbox"/> Unit of production <input type="checkbox"/> Other (specify): _____			

<b>a</b>	Name of contributing employer			
<b>b</b>	EIN		<b>c</b>	Dollar amount contributed by employer
<b>d</b>	Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, enter the applicable date.)			
	Month	Day	Year	
<b>e</b>	Contribution rate information (If more than one rate applies, check this box <input type="checkbox"/> 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: <input type="checkbox"/> Hourly <input type="checkbox"/> Weekly <input type="checkbox"/> Unit of production <input type="checkbox"/> Other (specify): _____			

<b>a</b>	Name of contributing employer			
<b>b</b>	EIN		<b>c</b>	Dollar amount contributed by employer
<b>d</b>	Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, enter the applicable date.)			
	Month	Day	Year	
<b>e</b>	Contribution rate information (If more than one rate applies, check this box <input type="checkbox"/> 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: <input type="checkbox"/> Hourly <input type="checkbox"/> Weekly <input type="checkbox"/> Unit of production <input type="checkbox"/> Other (specify): _____			



**14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

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

**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>	
<b>b</b> The corresponding number for the second preceding plan year . . . . .	<b>15b</b>	

**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>	
<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>	

**17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment.

**Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans**

**18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment

**19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

**a** Enter the percentage of plan assets held as:

Stock: \_\_\_\_\_ % Investment-Grade Debt: 100.0 % High-Yield Debt: \_\_\_\_\_ % Real Estate: \_\_\_\_\_ % Other: \_\_\_\_\_ %

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

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

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

Effective duration  Macaulay duration  Modified duration  Other (specify): \_\_\_\_\_

**20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

**a** Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero?  Yes  No

**b** If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

Yes.

No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

No. Other. Provide explanation \_\_\_\_\_

BOARD OF TRUSTEES,  
94-6052228  
Plan Name: SAN FRANCISCO LITHOGRAPHERS  
PENSION TRUST  
Plan Number: 001

FOOTNOTES

SCHEDULE R, LINE 13E - INFORMATION ON CONTRIBUTION RATES AND BASE  
UNITS:

LITHOTYPE COMPANY, INC.

RATE: 7% OF SALARY - ACCRUING CONTRIBUTIONS  
3% OF SALARY - NON-ACCRUING CONTRIBUTIONS

CONSOLIDATED PRINTING COMPANY

RATE: 7% OF SALARY - ACCRUING CONTRIBUTIONS  
3% OF SALARY - NON-ACCRUING CONTRIBUTIONS

URBAN ARTS LITHOGRAPHY, INC.

RATE: 7% OF SALARY - ACCRUING CONTRIBUTIONS  
4-5% OF SALARY - NON-ACCRUING CONTRIBUTIONS

**SCHEDULE MB  
(Form 5500)**

Department of the Treasury  
Internal Revenue Service

Department of Labor  
Employee Benefits Security Administration  
Pension Benefit Guaranty Corporation

**Multiemployer Defined Benefit Plan and Certain  
Money Purchase Plan Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

**2019**

**This Form is Open to Public  
Inspection**

For calendar plan year 2019 or fiscal plan year beginning 07/01/2019 and ending 06/30/2020

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

<b>A</b> Name of plan SAN FRANCISCO LITHOGRAPHERS PENSION TRUST		<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 OF THE SF LITHOGRAPHER PENSION		<b>D</b> Employer Identification Number (EIN) 94-6052228	
<b>E</b> Type of plan: (1) <input checked="" type="checkbox"/> Multiemployer Defined Benefit (2) <input type="checkbox"/> Money Purchase (see instructions)			

**1a** Enter the valuation date: Month 07 Day 01 Year 2019

**b** Assets

(1) Current value of assets .....	<b>1b(1)</b>	13,429,778
(2) Actuarial value of assets for funding standard account .....	<b>1b(2)</b>	13,429,778
<b>c</b> (1) Accrued liability for plan using immediate gain methods .....	<b>1c(1)</b>	137,281,382
(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>	137,281,382
<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>	142,064,795
(b) Expected increase in current liability due to benefits accruing during the plan year .....	<b>1d(2)(b)</b>	244,260
(c) Expected release from "RPA '94" current liability for the plan year .....	<b>1d(2)(c)</b>	7,058,416
(3) Expected plan disbursements for the plan year .....	<b>1d(3)</b>	7,558,416

**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>	PAUL C. POON <i>PCP</i>	04/02/2021
	Signature of actuary	Date
	PAUL C. POON, ASA, MAAA, EA	2006069
	Type or print name of actuary	Most recent enrollment number
	SEGAL	415-263-8200
	Firm name	Telephone number (including area code)
	180 HOWARD STREET, SUITE 1100	
	SAN FRANCISCO CA 94105-6147	
	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) 2019  
v. 190130**

**2** Operational information as of beginning of this plan year:

<b>a</b> Current value of assets (see instructions) .....	<b>2a</b>	13,429,778
<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 .....	896	68,467,658
<b>(2)</b> For terminated vested participants .....	628	63,829,811
<b>(3)</b> For active participants:		
<b>(a)</b> Non-vested benefits.....		16,275
<b>(b)</b> Vested benefits.....		9,751,051
<b>(c)</b> Total active.....	52	9,767,326
<b>(4)</b> Total .....	1,576	142,064,795
<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>	9.45%

**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
	364,253	0			
<b>Totals ▶</b>			<b>3(b)</b>	364,253	<b>3(c)</b> <span style="float: right;">0</span>

**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>	9.8%
<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>	2020

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

- |  |  |  |   |
|--|--|--|---|
| <b>a</b> <input type="checkbox"/> Attained age normal      | <b>b</b> <input type="checkbox"/> Entry age normal         | <b>c</b> <input checked="" type="checkbox"/> Accrued benefit (unit credit) | <b>d</b> <input type="checkbox"/> Aggregate |
| <b>e</b> <input type="checkbox"/> Frozen initial liability | <b>f</b> <input type="checkbox"/> Individual level premium | <b>g</b> <input type="checkbox"/> Individual aggregate                     | <b>h</b> <input type="checkbox"/> Shortfall |

Other (specify):

**j** If box h is checked, enter period of use of shortfall method ..... **5j** \_\_\_\_\_

**k** Has a change been made in funding method for this plan year? .....  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:

**a** Interest rate for "RPA '94" current liability ..... **6a** 3.07 %

	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>b</b> Rates specified in insurance or annuity contracts .....						
<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>		3.00 %			3.00 %
<b>e</b> Expense loading .....	<b>6e</b>	205.3 %	<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>					2.6 %
<b>h</b> Estimated investment return on current value of assets for year ending on the valuation date .....	<b>6h</b>					2.6 %

**7** New amortization bases established in the current plan year:

(1) Type of base	(2) Initial balance	(3) Amortization Charge/Credit
1	-3,430	-279
4	-5,014,163	-407,786

**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:

(1) Was an extension granted automatic approval under section 431(d)(1) of the Code? .....  Yes  No

(2) If line 8d(1) is "Yes," enter the number of years by which the amortization period was extended ..... **8d(2)** \_\_\_\_\_

(3) Was an extension approved by the Internal Revenue Service under section 412(e) (as in effect prior to 2008) or 431(d)(2) of the Code? .....  Yes  No

(4) If line 8d(3) is "Yes," enter number of years by which the amortization period was extended (not including the number of years in line (2)) ..... **8d(4)** \_\_\_\_\_

(5) If line 8d(3) is "Yes," enter the date of the ruling letter approving the extension ..... **8d(5)** \_\_\_\_\_

(6) If line 8d(3) is "Yes," is the amortization base eligible for amortization using interest rates applicable under section 6621(b) of the Code for years beginning after 2007? .....  Yes  No

**e** If box 5h is checked or line 8c is "Yes," enter the difference between the minimum required contribution for the year and the minimum that would have been required without using the shortfall method or extending the amortization base(s) ..... **8e** \_\_\_\_\_

**9** Funding standard account statement for this plan year:

**Charges to funding standard account:**

**a** Prior year funding deficiency, if any ..... **9a** 59,985,527

**b** Employer's normal cost for plan year as of valuation date ..... **9b** 731,783

		Outstanding balance	
<b>c</b> Amortization charges as of valuation date:			
(1) All bases except funding waivers and certain bases for which the amortization period has been extended .....	<b>9c(1)</b>	72,611,943	9,219,496
(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>		2,098,104
<b>e</b> Total charges. Add lines 9a through 9d.....	<b>9e</b>		72,034,910
<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>		364,253
		Outstanding balance	
<b>h</b> Amortization credits as of valuation date.....	<b>9h</b>	8,745,866	875,359
<b>i</b> Interest as applicable to end of plan year on lines 9f, 9g, and 9h .....	<b>9i</b>		31,725
<b>j</b> Full funding limitation (FFL) and credits:			
(1) ERISA FFL (accrued liability FFL).....	<b>9j(1)</b>	128,320,889	
(2) "RPA '94" override (90% current liability FFL) .....	<b>9j(2)</b>	119,398,521	
(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>		1,271,337
<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>		70,763,573
<b>9o</b> Current year's accumulated reconciliation account:			
(1) Due to waived funding deficiency accumulated prior to the 2019 plan year .....	<b>9o(1)</b>		0
(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>		70,763,573
<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

## Section 4: Certificate of Actuarial Valuation

### Exhibit 6: Schedule of Active participant Data

(Schedule MB, Line 8b(2))

The participant data is for the year ended June 30, 2019.

Age	Years of Credit										40 & over
	Total	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 & over	
30 - 34	1	-	-	1	-	-	-	-	-	-	-
35 - 39	3	1	1	1	-	-	-	-	-	-	
40 - 44	6	-	4	1	-	1	-	-	-	-	
45 - 49	2	1	-	-	-	-	1	-	-	-	
50 - 54	5	-	-	1	1	-	1	1	1	-	
55 - 59	19	-	3	1	1	1	7	3	3	-	
60 - 64	10	1	-	-	1	-	3	-	2	3	
65 - 69	1	-	-	-	-	1	-	-	-	-	
Unknown	5	5	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>52</b>	<b>8</b>	<b>8</b>	<b>5</b>	<b>3</b>	<b>3</b>	<b>12</b>	<b>4</b>	<b>6</b>	<b>3</b>	

Note: Excludes 3 participants with less than one Year of Credit.

## Section 4: Certificate of Actuarial Valuation

### Exhibit 8: Statement of Actuarial Assumptions/Methods

(Schedule MB, Line 6)

#### Mortality Rates

*Preretirement:* Pri-2012 Employee Blue Collar Amount-weighted Mortality Table with generational projection using Scale MP2019.

*Postretirement:* Pri-2012 Blue Collar Healthy Retiree Amount-weighted Mortality Table with generational projection using scale MP2019.

The underlying tables with generational projection to the ages of 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 future mortality improvement between the measurement date and those 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 assumption over the most recent 5 years.

#### Annuitant Mortality Rates

Age	Rate (%) <sup>1</sup>	
	Male	Female
55	0.64	0.49
60	0.93	0.71
65	1.27	1.08
70	2.05	1.64
75	3.33	2.62
80	5.72	4.35
85	9.78	4.49
90	16.54	13.05

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



## Section 4: Certificate of Actuarial Valuation

### Termination Rates

Age	Rate (%)			
	Males		Females	
	Mortality <sup>1</sup>	Withdrawal <sup>2</sup>	Mortality <sup>1</sup>	Withdrawal <sup>2</sup>
20	0.07	9.94	0.02	11.94
25	0.07	9.67	0.03	11.62
30	0.07	9.30	0.03	11.21
35	0.07	8.71	0.04	10.55
40	0.09	7.75	0.06	9.40
45	0.12	6.35	0.09	7.54
50	0.18	4.22	0.13	4.83
55	0.28	1.55	0.20	1.73
60	0.44	0.15	0.30	0.16

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

<sup>2</sup> Withdrawal rates do not apply at retirement eligibility.

The termination rates were based on historical and current demographic data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of terminations and the projected number based on the assumption over the most recent 5 years.

### Age 65

The retirement rate was based on historical and current data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of retirements and the projected number based on the assumption over the most recent 5 years.

### Retirement Rate for Active and Inactive Vested Participants

Age 65.0, 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 this actuarial valuation.

### Future Service Accruals

49 weeks per year  
The future service accruals were based on historical and current data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, a comparison was made between the assumed and the actual benefit accruals over the most recent 5 years

## Section 4: Certificate of Actuarial Valuation

<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 10 weeks worked in the most recent plan year and who have accumulated at least one Year of Credit, excluding those who have retired as of the valuation date.
<b>Exclusion of Inactive Participants</b>	Inactive participants over age 75 are excluded from the valuation (14 excluded in this valuation). The exclusion of inactive vested participants over age 75 was based on historical and current data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, the ages of new retirees from inactive vested status were reviewed.
<b>Percent Married</b>	70%
<b>Age of Spouse</b>	Spouses of male participants are four years younger and spouses of females participants are four years older.
<b>Benefit Election</b>	For future retirements, married participants are assumed to elect the 75% Joint and Survivor Option ("QOSA") and non-married participants are assumed to elect the Single Life Annuity. The benefit elections were based on historical and current demographic data, adjusted to reflect the plan design, estimated future experience and professional judgment.
<b>Delayed Retirement Factors</b>	Inactive vested participants who are assumed to commence receipt of benefits after attaining normal retirement age qualify for delayed retirement increases.
<b>Net Investment Return</b>	3.00% The net investment return assumption is an 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 Segal Marco Advisors, as well as the Plan's target asset allocation.
<b>Annual Administrative Expenses</b>	\$500,000, payable monthly (equivalent to \$492,076 payable at the beginning of the year) The annual administrative expenses were based on historical and current data, adjusted to reflect estimated future experience and professional judgment.
<b>Actuarial Value of Assets</b>	At 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 9.
<b>Current Liability Assumptions</b>	Interest: 3.07%, within the permissible range prescribed under IRC Section 431(c)(6)(E) Mortality: Mortality prescribed under IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1: RP-2014 employee and annuitant mortality tables, adjusted backward to the base year (2006) using scale MP-2014, projected forward generationally using scale MP-2017 (previously, the MP-2016 scale was used).

## Section 4: Certificate of Actuarial Valuation

<b>Estimated Rate of Investment Return</b>	<i>On actuarial value of assets (Schedule MB, line 6g): 2.6%, for the Plan Year ending June 30, 2019</i> <i>On current (market) value of assets (Schedule MB, line 6h): 2.6%, for the Plan Year ending June 30, 2019</i>
<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 Funding Standard Account is therefore assumed to be equivalent to a January 1 <sup>st</sup> contribution date.

## Section 4: 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 3.00% to 3.07% 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:

- Preretirement mortality rates, previously based on RP-2014 Blue Collar Employee Mortality Table with generational projection using Scale MP2016.
- Postretirement mortality rates, previously based on RP-2014 Blue Collar Healthy Annuitant Mortality Table with generational projection using Scale MP2016.
- Retirement rates for actives, previously:

Age	Retirement Rates*
55 – 59	3%
60	25
61	15
62	35
63 – 64	20
65 – 66	35
67	100

\*For active participants covered under the Default Schedule, the retirement rate from ages 55-64 is 0%.

**Attachment to 2019 Schedule MB (Form 5500) for  
San Francisco Lithographers Pension Trust  
(EIN 94-6052228/PN 001)**

**FOOTNOTES TO SCHEDULE MB**

Line 1(b)(1) and  
Line 2(a)      The current value of assets used for the valuation does not match the figure in the plan audit because it does not reflect receivable withdrawal liability payments.

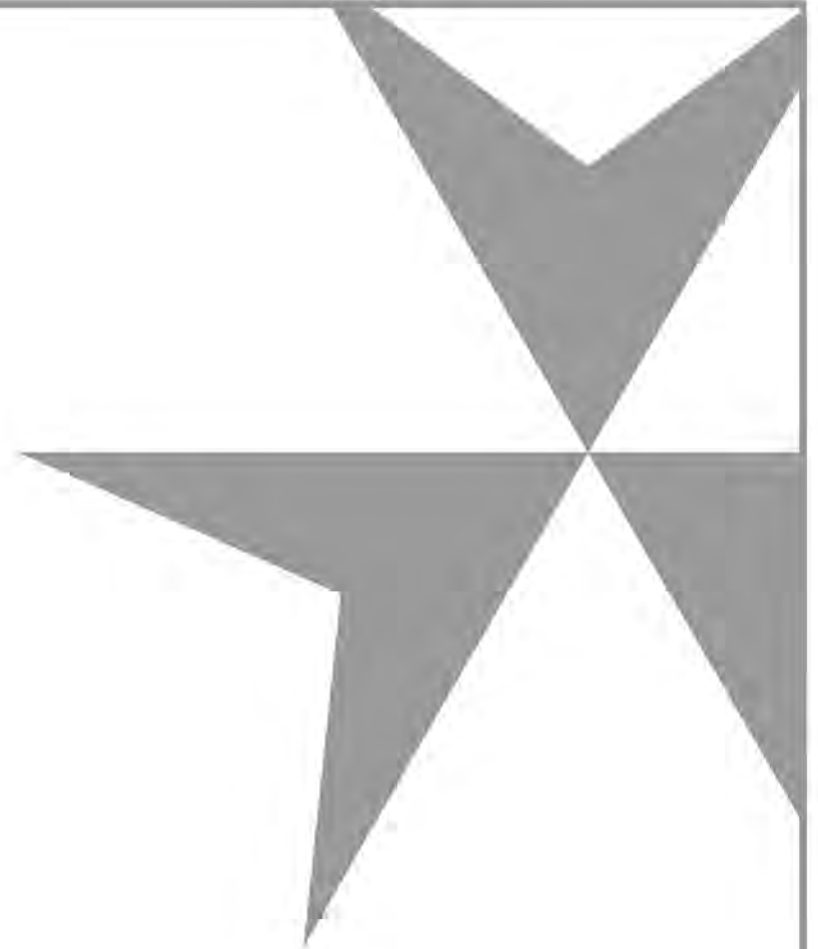
Line 3      All contributions are paid periodically throughout the year pursuant to collective bargaining agreements. This figure includes withdrawal liability payments of \$87,812.

The valuation was based on the assumption that the plan was qualified for the year and on information supplied by the auditor with respect to contributions and assets and by the Fund Administrator with respect to the data required on employees and pensioners.

# San Francisco Lithographers Pension Trust

## **Actuarial Certification of Plan Status under IRC Section 432**

As of July 1, 2020





180 Howard Street, Suite 1100  
San Francisco, CA 94105-6147  
segalco.com  
T 415.263.8200

September 28, 2020

Board of Trustees  
San Francisco Lithographers Pension Trust  
Alameda, CA

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 July 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 July 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 Paul C. Poon, ASA, MAAA, Enrolled Actuary.

As of July 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 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 updating the Rehabilitation Plan.

Sincerely,

Segal

By: Harold S. Cooper  
Harold S. Cooper, FSA, MAAA, EA  
Senior Vice President & Actuary

Paul C. Poon  
Paul C. Poon, ASA, MAAA, EA  
Vice President & Actuary

PXP/CV

cc: Kate Berry  
Kate Buffo  
Sun Chang, Esq.  
Patricia Davis, Esq.  
Catherine Gardner, CPA





September 28, 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 July 1, 2020 for the following plan:

Name of Plan: San Francisco Lithographers Pension Trust  
Plan number: EIN 94-6052228 / PN 001  
Plan sponsor: Board of Trustees, San Francisco Lithographers Pension Trust  
Address: 1600 Harbor Bay Parkway, Suite 200, Alameda, CA 94502-3035  
Phone number: 415.546.7800

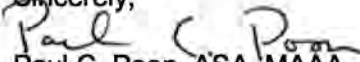
As of July 1, 2020, the Plan is in critical and declining status.

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  
180 Howard Street, Suite 1100  
San Francisco, CA 94105-6147  
Phone number: 415.263.8200

Sincerely,

  
Paul C. Poon, ASA, MAAA  
Vice President & Actuary  
Enrolled Actuary No. 20-06069



# Actuarial status certification as of July 1, 2020 under IRC Section 432

September 28, 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 San Francisco Lithographers Pension Trust as of July 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; differences in statutory interpretation and changes in plan provisions or applicable law.

This certification is based on the July 1, 2019 actuarial valuation, dated April 24, 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 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.



**Paul C. Poon, ASA, MAAA**

<b>EA#</b>	20-06069
<b>Title</b>	Vice President & Actuary

### **Certificate Contents**

<b>Exhibit I</b>	Status Determination as of July 1, 2020
<b>Exhibit II</b>	Summary of Actuarial Valuation Projections
<b>Exhibit III</b>	Funding Standard Account Projections
<b>Exhibit IV</b>	Funding Standard Account – Projected Bases Assumed Established After July 1, 2019
<b>Exhibit V</b>	Solvency Projection
<b>Exhibit VI</b>	Actuarial Assumptions and Methodology
<b>Exhibit VII</b>	Documentation Regarding Scheduled Progress Under Rehabilitation Plan

# Actuarial Status Certification under IRC Section 432

## Exhibit I

Status Determination as of July 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?	Yes	Yes
C5.	The present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over five years?	Yes	Yes
<b>II. Emergence test:</b>			
C6.	(a) Was in critical status for the immediately preceding plan year,	Yes	
	(b) AND EITHER a funding deficiency is projected for the plan year or any of the next nine plan years, without regard to the use of the shortfall method but taking into account any extension of amortization periods under ERISA Section 304(d)(2) or ERISA Section 304 as in effect prior to PPA'06,	Yes	
	(c) OR insolvency is projected for the current year or any of the 30 succeeding plan years?	Yes	
<b>Plan did NOT emerge?</b>			<b>Yes</b>

# Actuarial Status Certification under IRC Section 432

Status	Condition	Component Result	Final Result
<b>III. Special emergence test:</b>			
C7. (a)	The trustees have elected an automatic amortization extension under 431(d),	No	
(b)	AND EITHER a funding deficiency is projected for the plan year or any of the next nine plan years, without regard to the use of the shortfall method but taking into account any extension of amortization periods under ERISA Section 304(d)(1),	N/A	
(c)	OR insolvency is projected for the current year or any of the 30 succeeding plan years?	N/A	
<b>Plan did NOT emerge?</b>			<b>N/A</b>
<b>IV. Reentry into critical status after special emergence:</b>			
C8. (a)	The Plan emerged from critical status in any prior year under the special emergence rule,	No	
(b)	AND EITHER a funding deficiency is projected for the plan year or any of the next nine plan years, without regard to the use of the shortfall method but taking into account any extensions of amortization periods under ERISA Section 304(d),	N/A	
(c)	OR insolvency is projected for the current year or any of the 30 succeeding plan years?	N/A	
<b>Plan reentered critical status?</b>			<b>N/A</b>
<b>V. In Critical Status? (If C1-C6 or C8 is Yes, then Yes, unless C7 is No)</b>			<b>Yes</b>
If not in Critical Status, skip VI and go to VII			
<b>VI. Determination of critical and declining status:</b>			
C9. (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 under IRC Section 432

Status	Condition	Component Result	Final Result
<b>VII. Determination whether plan is projected to be in critical status in any of the succeeding five plan years:</b>			
C10.	(a) Is not in critical status,	No	
	(b) AND is projected to be in critical status in any of the next five years	N/A	N/A
<b>In Critical Status in any of the five succeeding plan years?</b>			<b>N/A</b>

# Actuarial Status Certification under IRC Section 432

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%?		N/A	No
E2. (a) Is not in critical status,		No	
(b) AND a funding deficiency is projected in seven years?		N/A	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 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.

Exhibit II  
Summary of Actuarial Valuation Projections

The actuarial factors as of July 1, 2020 (based on projections from the July 1, 2019 valuation certificate):

<b>I. Financial Information</b>			
1.	Market value of assets		\$6,380,068
2.	Actuarial value of assets		6,380,068
3.	Reasonably anticipated contributions		
a.	Upcoming year		274,178
b.	Present value for the next five years		1,350,926
c.	Present value for the next seven years		1,891,297
4.	Reasonably anticipated withdrawal liability payments		87,812
5.	Projected benefit payments		7,148,234
6.	Projected administrative expenses (beginning of year)		506,838
<b>II. Liabilities</b>			
1.	Present value of vested benefits for active participants		9,519,905
2.	Present value of vested benefits for non-active participants		124,963,254
3.	Total unit credit accrued liability		134,499,370
4.	Present value of payments	<b>Benefit Payments</b>	<b>Administrative Expenses</b>
a.	Next five years	\$33,204,902	\$2,534,188
b.	Next seven years	45,853,529	3,547,864
5.	Unit credit normal cost plus expenses		734,744
6.	Ratio of inactive participants to active participants		29.3
<b>III. Funded Percentage (I.2)/(II.3)</b>			4.7%
<b>IV. Funding Standard Account</b>			
1.	Credit Balance as of the end of prior year		(\$70,773,976)
2.	Years to projected funding deficiency		1
<b>V. Projected Year of Emergence</b>			N/A
<b>VI. Years to Projected Insolvency</b>			1
<b>VII. Year Projected to be in Critical Status (based on test C10. in Exhibit I), if within next five years</b>			N/A



### Exhibit III Funding Standard Account Projections

The table below presents the Funding Standard Account Projections for the Plan Years beginning July 1.

	Year Beginning July 1,					
	2019	2020	2021	2022	2023	2024
1. Credit balance (BOY)	(\$59,985,527)	(\$70,773,976)	(\$81,894,234)	(\$93,362,455)	(\$105,189,508)	(\$113,298,504)
2. Interest on (1)	(1,799,566)	(2,123,219)	(2,456,827)	(2,800,874)	(3,155,885)	(3,398,955)
3. Normal cost	239,707	227,906	234,743	241,785	249,039	256,510
4. Administrative expenses	492,076	506,838	522,043	537,704	553,835	570,450
5. Net amortization charges	8,344,137	8,356,964	8,356,964	8,356,965	4,387,938	4,387,943
6. Interest on (3), (4) and (5)	272,278	272,751	273,412	274,094	155,724	156,447
7. Expected contributions	354,004	361,990	370,215	378,688	387,414	396,402
8. Interest on (7)	5,310	5,430	5,553	5,680	5,811	5,946
9. Full-funding limit credit	0	0	0	0	0	0
10. Credit balance (EOY): (1) + (2) – (3) – (4) – (5) – (6) + (7) + (8) + (9)	(\$70,773,976)	(\$81,894,234)	(\$93,362,455)	(\$105,189,508)	(\$113,298,504)	(\$121,666,461)
	2025	2026	2027	2028	2029	
1. Credit balance (BOY)	(\$121,666,461)	(\$130,452,859)	(\$139,608,665)	(\$149,056,284)	(\$158,804,989)	
2. Interest on (1)	(3,649,994)	(3,913,586)	(4,188,260)	(4,471,689)	(4,764,150)	
3. Normal cost	264,205	272,131	280,295	288,704	297,365	
4. Administrative expenses	587,564	605,191	623,347	642,047	661,308	
5. Net amortization charges	4,534,783	4,621,361	4,621,359	4,621,362	4,621,360	
6. Interest on (3), (4) and (5)	161,597	164,960	165,750	166,563	167,401	
7. Expected contributions	405,660	415,195	425,017	435,133	445,552	
8. Interest on (7)	6,085	6,228	6,375	6,527	6,683	
9. Full-funding limit credit	0	0	0	0	0	
10. Credit balance (EOY): (1) + (2) – (3) – (4) – (5) – (6) + (7) + (8) + (9)	(\$130,452,859)	(\$139,608,665)	(\$149,056,284)	(\$158,804,989)	(\$168,864,338)	

Exhibit IV

Funding Standard Account – Projected Bases Assumed Established after July 1, 2019

Schedule of Funding Standard Account Bases

Type of Base	Date Established	Base Established	Amortization Period	Amortization Payment
Experience (Gain)/Loss	7/1/2020	\$157,727	15	\$12,827

## Exhibit V Solvency Projections

The table below presents the projected Market Value of Assets for the Plan Years beginning July 1, 2019 through 2020.

	<b>Year Beginning July 1,</b>	
	<b>2019</b>	<b>2020</b>
1. Market Value at beginning of year	\$13,429,778	\$6,380,068
2. Contributions	266,192	274,178
3. Withdrawal liability payments	87,812	87,812
4. Benefit payments	7,041,726	7,148,234
5. Administrative expenses	500,000	515,000
6. Interest earnings	138,012	82,565
7. Market Value at end of year: (1)+(2)+(3)-(4)-(5)+(6)	\$6,380,068	\$0
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$13,421,794	\$6,309,623

## Exhibit VI

### Actuarial Assumptions and Methodology

The actuarial assumptions and plan of benefits are as used in the July 1, 2019 actuarial valuation certificate, dated April 24, 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.

**Contributions:** For participants covered under the Default Schedule of the Rehabilitation Plan, the contribution rate is 10% of Basic Weekly Wage Rates.

For participants covered under the Alternative Schedule of the Rehabilitation Plan, the contribution rate is 15% of Basic Weekly Wage Rates.

Contributions in excess of 7% of wages shall not be recognized in determining participants' benefit accruals. The projected contributions also reflect the following anticipated withdrawal liability payments:

Plan Year Ending 6/30	Amount
2021 through 2030	\$87,812

**Asset Information:** The market value of assets as of June 30, 2020 was estimated using the return provided by the Investment Consultant. Contributions, benefit payments, and non-investment expenses for the plan year ending June 30, 2020 were estimated based on the 2019 valuation.

For projections after June 30, 2020, the assumed administrative expenses were increased by 3% per year and the benefit payments were projected based on the July 1, 2019 actuarial valuation. The projected net investment return was assumed to be 3.0% 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.

**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 is assumed to be 48 during the projection period. On the average, contributions will be made for each active for 49 weeks each year.

**Future Normal Costs:** The Unit Credit Normal Cost for 2019-2020 is assumed to decline, as a result of the contraction to 48 actives from the above projected industry activity. Normal Costs are also expected to increase by 3% per year to reflect higher salaries used for benefit contributions.

## Exhibit VII

### Documentation Regarding Scheduled Progress Under Rehabilitation Plan

Based on the Rehabilitation Plan in effect as of June 30, 2020, the applicable standard for July 1, 2020, was for no projected insolvency until after June 30, 2019, using the plan provisions, assumptions/methods, and contribution levels that form the basis of this certification.

Our projections based on this certification indicate the plan will become insolvent during the 2020-2021 Plan Year. Therefore, the annual standard is met.

5660576v2/00679.029

## Section 4: Certificate of Actuarial Valuation

### Exhibit 5: Schedule of Projection of Expected Benefit Payments

(Schedule MB, Line 8b(1))

<b>Plan Year</b>	<b>Expected Annual Benefit Payments<sup>1</sup></b>
2019	\$7,041,726
2020	7,145,324
2021	7,059,272
2022	7,092,552
2023	7,178,845
2024	7,221,786
2025	7,431,011
2026	7,614,652
2027	7,684,068
2028	7,629,113

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

- no additional accruals,
- experience is in line with valuation assumptions,
- no new entrants are covered by the plan, and
- does not reflect reduced benefits due to plan insolvency.

Attachment to 2019 Form 5500 - Schedule MB, Line 3  
San Francisco Lithographers Pension Trust  
(EIN 94-6052228/PN 001)

**Withdrawal**

**Liability**

**Payment**

**Payment**

**Date**

\$21,953

07/31/2019

\$21,953

10/31/2019

\$21,953

01/31/2020

\$21,953

04/30/2020

## Section 4: Certificate of Actuarial Valuation

### 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>	July 1 through June 30
<b>Pension Credit Year</b>	July 1 through June 30
<b>Plan Status</b>	Ongoing plan
<b>Normal Retirement Pension</b>	<ul style="list-style-type: none"><li>• <i>Age Requirement:</i> 65</li><li>• <i>Years of Credit Requirement:</i> 5 years</li><li>• <i>Amount:</i> 0.2083% of each year's Compensation through June 30, 1996; plus 3.472% of contributions made from July 1, 1996 to June 30, 2002; 2.97% of contributions made from July 1, 2002 to June 30, 2003; 1.50% of contributions made from July 1, 2003 to June 30, 2009; and 1.00% of contributions received thereafter.</li><li>• Effective July 1, 2009, benefits are earned for contributions up to 7.00% of compensation.</li></ul>
<b>Early Retirement Pension</b>	<ul style="list-style-type: none"><li>• <i>Age Requirement:</i> 55</li><li>• <i>Years of Credit Requirement:</i> 10 years</li><li>• <i>Amount:</i> For participants covered under the Preferred Schedule of the Rehabilitation Plan, the Accrued Normal Retirement Pension is reduced from Normal Retirement Age, based on the GAM 94 (50%/50%) table and 7% interest rate. The Early Retirement Pension is not available for participants under the Default Schedule or to those with a One-Year Break in Service on June 30, 2009.</li></ul>
<b>Vesting</b>	<ul style="list-style-type: none"><li>• <i>Age Requirement:</i> None</li><li>• <i>Years of Credit Requirement:</i> 5 years</li><li>• <i>Amount:</i> Normal Retirement Pension amount accrued, payable commencing at Normal Retirement Age or, if eligible, on a reduced basis as early as age 55.</li></ul>
<b>Normal Retirement Age</b>	The later of (a) the date the participant attains age 65 and (b) the earlier of the 5th anniversary of participation or the date the participant accrues 5 Years of Credit.



## Section 4: Certificate of Actuarial Valuation

<b>Spousal Annuity</b>	<ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Years of Credit Requirement:</i> 5 years</li> <li>• <i>Amount:</i> 50% of the benefit that the participant would have received had they retired, the day before death, on a Joint and Survivor pension. If the participant was not yet eligible to retire at the time of death, the commencement of the spouse's benefit is deferred until the date he or she would have been eligible, based on service earned up to the time of death.</li> </ul>
<b>Joint and Survivor Pension</b>	<ul style="list-style-type: none"> <li>• Retirement benefits for married employees are paid in the form of a 50% joint and survivor annuity unless this form is rejected by the participant and spouse. The benefit amount payable is reduced to reflect the joint-and-survivor coverage. If this type of pension is rejected, or if the participant is unmarried, benefits are payable for the life of the participant (with a minimum guarantee of 120 monthly payments, provided this feature has not been eliminated pursuant to the Rehabilitation Plan) without reduction or in any other available optional form elected in an actuarially equivalent amount.</li> </ul>
<b>Optional Forms of Benefits</b>	<ul style="list-style-type: none"> <li>• Marital Annuity ("QJSA"- 50% joint and survivor annuity)</li> <li>• 75% joint and survivor annuity ("QOSA")</li> <li>• Single Life annuity (with 120-month guarantee provided only if it has not been eliminated pursuant to the Rehabilitation Plan)</li> </ul>
<b>Compensation</b>	Basic Weekly Wage Rate (annualized).
<b>Week of Service</b>	Any weekly pay period for which an employee is entitled to payment for actual performance of duties.
<b>Break-in-Service Rules</b>	<ul style="list-style-type: none"> <li>• <i>One-Year Break:</i> Commencing July 1, 1986, an employee incurs a One-Year Break-in-Service if the participant fails to earn at least 10 Weeks of Service in a Plan Year.</li> <li>• <i>Permanent Break:</i> A non-vested participant incurs a Permanent Break-in-Service if the number of consecutive One-Year Breaks-in-Service (including at least one after June 30, 1986) is at least 5 and equals or exceeds the number of full Years of Credited Service which the participant had previously accumulated. At this time all accumulated benefits are canceled.</li> </ul>
<b>Participation Rules</b>	<ul style="list-style-type: none"> <li>• <i>Participation:</i> An employee becomes a Participant at the beginning of his first week of service following a 52-week period containing 20 weeks of service.</li> <li>• <i>Termination of Participation:</i> A Participant who incurs a One-Year Break in Service ceases to be a Participant as of the last day of the Plan Year which constituted the One-Year Break-in-Service, unless the Participant has retired or attained vested rights.</li> </ul>
<b>Past Service Credit</b>	Up to 13 years for Covered Service before effective date of the Plan.
<b>Future Service Credit</b>	A participant who earns at least 20 Weeks of Service in a Plan Year receives a Year of Future Service Credit.
<b>Years of Credit</b>	Past and Future Service Credits.

## Section 4: Certificate of Actuarial Valuation

<b>Schedule of Contribution Rates</b>	As of July 1, 2019, the average contribution rate was 10.4% of compensation, of which 7.00% applies towards benefit accruals. The weekly wage rate varied from \$390 to \$2,500 with an average of \$1,088.
<b>Rehabilitation Plan Schedules</b>	<ul style="list-style-type: none"><li>• The Rehabilitation Plan includes the following two schedules of plan changes:</li><li>• For participants covered under the Default Schedule,<ul style="list-style-type: none"><li>– the Early Retirement Benefit was eliminated,</li><li>– the subsidy on the Qualified Joint and Survivor Annuities was eliminated,</li><li>– the 120-month guarantee on the Single Life Annuity was eliminated,</li><li>– the Pre-Retirement Death Benefit was eliminated, and</li><li>– the Supplemental Early Retirement Pension was eliminated.</li></ul></li><li>• For participants covered under the Preferred Schedule,<ul style="list-style-type: none"><li>– the subsidy on the Early Retirement Benefit was eliminated,</li><li>– the subsidy on the Qualified Joint and Survivor Annuities was eliminated,</li><li>– the 120-month guarantee on the Single Life Annuity was eliminated,</li><li>– the Pre-Retirement Death Benefit was eliminated, and</li><li>– the Supplemental Early Retirement Benefit is limited to \$600 per month and is not available for those who retire after June 30, 2013.</li></ul></li></ul>
<b>Plan Amendment</b>	The valuation reflects Rehabilitation Plan schedules that have been renegotiated into CBAs by the valuation date. There were no changes since the prior year.

September 27, 2019

**Illustration Supporting Actuarial Certification of Status (Schedule MB, line 4b)**  
**ACTUARIAL STATUS CERTIFICATION AS OF JULY 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 San Francisco Lithographers Pension Trust as of July 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.

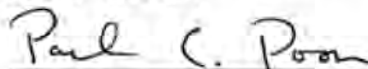
The measurements shown in this actuarial certification may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic 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; differences in statutory interpretation and changes in plan provisions or applicable law.

This certification is based on the July 1, 2018 actuarial valuation, dated April 18, 2019. 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) offer my best estimate of anticipated experience under the Plan.



Paul C. Poon, ASA, MAAA  
Vice President & Actuary  
Enrolled Actuary No. 17-06069

**Actuarial Status Certification as of July 1, 2019 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

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EIN 94-6052228 / PN 001

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**Certificate Contents**

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**Actuarial Status Certification as of July 1, 2019 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

EIN 94-6052228 / PN 001

**EXHIBIT I**

**Status Determination as of July 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? .....	Yes	Yes
C5.	The present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over five years? .....	Yes	Yes
<b>II. Emergence test:</b>			
C6.	(a) Was in critical status for the immediately preceding plan year, .....	Yes	
	(b) AND EITHER a funding deficiency is projected for the plan year or any of the next nine plan years, without regard to the use of the shortfall method but taking into account any extension of amortization periods under ERISA Section 304(d)(2) or ERISA Section 304 as in effect prior to PPA'06, .....	Yes	
	(c) OR insolvency is projected for the current year or any of the 30 succeeding plan years? .....	Yes	
	<b>Plan did NOT emerge?</b> .....		Yes
<b>III. Special emergence test:</b>			
C7.	(a) The trustees have elected an automatic amortization extension under 431(d),.....	No	
	(b) AND EITHER a funding deficiency is projected for the plan year or any of the next nine plan years, without regard to the use of the shortfall method but taking into account any extension of amortization periods under ERISA Section 304(d)(1), .....	N/A	
	(c) OR insolvency is projected for the current year or any of the 30 succeeding plan years? .....	N/A	
	<b>Plan did NOT emerge?</b> .....		N/A

**Actuarial Status Certification as of July 1, 2019 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

EIN 94-6052228 / PN 001

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

Status	Condition	Component Result	Final Result
<b>IV. Reentry into critical status after special emergence:</b>			
C8. (a)	The Plan emerged from critical status in any prior year under the special emergence rule, .....	No	
(b)	AND EITHER a funding deficiency is projected for the plan year or any of the next nine plan years, without regard to the use of the shortfall method but taking into account any extensions of amortization periods under ERISA Section 304(d),...	N/A	
(c)	OR insolvency is projected for the current year or any of the 30 succeeding plan years? .....	N/A	
	<b>Plan reentered critical status? .....</b>		N/A
<b>V. In Critical Status? (If C1-C6 or C8 is Yes, then Yes, unless C7 is No) .....</b>			Yes
If not in Critical Status, skip VI and go to VII			
<b>VI. Determination of critical and declining status:</b>			
C9. (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>			Yes
<b>VII. Determination whether plan is projected to be in critical status in any of the succeeding five plan years:</b>			
C10. (a)	Is not in critical status, .....	No	
(b)	AND is projected to be in critical status in any of the next five years? .....	N/A	N/A
<b>In Critical Status in any of the five succeeding plan years? .....</b>			N/A

**Actuarial Status Certification as of July 1, 2019 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

EIN 94-6052228 / PN 001

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

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%? .....	N/A	No
E2. (a)	Is not in critical status,.....	No	
(b)	AND a funding deficiency is projected in seven years? .....	N/A	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 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.

**Actuarial Status Certification as of July 1, 2019 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

EIN 94-6052228 / PN 001

**EXHIBIT II  
Summary of Actuarial Valuation Projections**

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

<b>I. Financial Information</b>			
1. Market value of assets			\$13,429,777
2. Actuarial value of assets			13,429,777
3. Reasonably anticipated contributions, including anticipated withdrawal liability payments			
a. Upcoming year			361,884
b. Present value for the next five years			1,758,589
c. Present value for the next seven years			2,445,865
4. Projected benefit payments			6,993,433
5. Projected administrative expenses (beginning of year)			506,838
<b>II. Liabilities</b>			
1. Present value of vested benefits for active participants			9,406,758
2. Present value of vested benefits for non-active participants			132,912,539
3. Total unit credit accrued liability			142,342,873
4. Present value of payments	<b>Benefit Payments</b>	<b>Administrative Expenses</b>	<b>Total</b>
a. Next five years	\$33,059,563	\$2,534,188	\$35,593,751
b. Next seven years	45,526,784	3,547,864	49,074,648
5. Unit credit normal cost plus expenses			736,831
6. Ratio of inactive participants to active participants			32.1
<b>III. Funded Percentage (I.2)/(II.3)</b>			<b>9.4%</b>
<b>IV. Funding Standard Account</b>			
1. Credit Balance as of the end of prior year			(\$59,985,527)
2. Years to projected funding deficiency			1
<b>V. Projected Year of Emergence</b>			<b>N/A</b>
<b>VI. Years to Projected Insolvency</b>			<b>2</b>
<b>VII. Year Projected to be in Critical Status (based on test C10. in Exhibit I), if within next five years</b>			<b>N/A</b>



**Actuarial Status Certification as of July 1, 2019 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

EIN 94-6052228 / PN 001

**EXHIBIT III  
Funding Standard Account Projections**

The table below presents the Funding Standard Account Projections for the Plan Years beginning July 1.

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
1. Credit balance (BOY)	(\$49,134,726)	(\$59,985,527)	(\$71,195,162)	(\$82,755,505)	(\$94,677,514)	(\$106,972,477)
2. Interest on (1)	(1,474,042)	(1,799,566)	(2,135,855)	(2,482,665)	(2,840,325)	(3,209,174)
3. Normal cost	227,946	229,993	236,893	244,000	251,320	258,860
4. Administrative expenses	492,076	506,838	522,043	537,704	553,835	570,450
5. Net amortization charges	8,752,201	8,755,772	8,755,769	8,755,769	8,755,762	4,786,742
6. Interest on (3), (4) and (5)	284,166	284,778	285,441	286,125	286,828	168,482
7. Expected contributions	374,020	361,884	370,106	378,575	387,298	396,283
8. Interest on (7)	5,610	5,428	5,552	5,679	5,809	5,944
9. Full-funding limit credit	0	0	0	0	0	0
10. Credit balance (EOY): (1) + (2) - (3) - (4) - (5) - (6) + (7) + (8) + (9)	(\$59,985,527)	(\$71,195,162)	(\$82,755,505)	(\$94,677,514)	(\$106,972,477)	(\$115,563,958)
	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	
1. Credit balance (BOY)	(\$115,563,958)	(\$124,429,412)	(\$133,728,797)	(\$143,413,557)	(\$153,406,595)	
2. Interest on (1)	(3,466,919)	(3,732,882)	(4,011,864)	(4,302,407)	(4,602,198)	
3. Normal cost	266,626	274,625	282,864	291,350	300,091	
4. Administrative expenses	587,564	605,191	623,347	642,047	661,308	
5. Net amortization charges	4,786,737	4,933,579	5,020,153	5,020,151	5,020,149	
6. Interest on (3), (4) and (5)	169,228	174,402	177,791	178,606	179,446	
7. Expected contributions	405,537	415,068	424,886	434,998	445,414	
8. Interest on (7)	6,083	6,226	6,373	6,525	6,681	
9. Full-funding limit credit	0	0	0	0	0	
10. Credit balance (EOY): (1) + (2) - (3) - (4) - (5) - (6) + (7) + (8) + (9)	(\$124,429,412)	(\$133,728,797)	(\$143,413,557)	(\$153,406,595)	(\$163,717,692)	

**Actuarial Status Certification as of July 1, 2019 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

EIN 94-6052228 / PN 001

**EXHIBIT IV**

**Funding Standard Account – Projected Bases Assumed Established After July 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>
Experience (Gain)/Loss	7/ 1/2019	\$43,899	15	\$3,570

**Actuarial Status Certification as of July 1, 2019 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

EIN 94-6052228 / PN 001

**EXHIBIT V  
Solvency Projection**

The table below presents the projected Market Value of Assets for the Plan Years beginning July 1, 2018 through 2020.

	Year Beginning July 1,		
	2018	2019	2020
1. Market Value at beginning of year	\$19,943,359	\$13,429,777	\$6,579,629
2. Contributions <sup>1</sup>	374,020	361,884	370,106
3. Benefit payments <sup>2</sup>	6,838,203	6,993,433	7,055,978
4. Administrative expenses	480,387	515,000	530,450
5. Interest earnings	<u>430,988</u>	<u>296,401</u>	<u>89,871</u>
6. Market Value at end of year: (1)+(2)-(3)-(4)+(5)	\$13,429,777	\$6,579,629	\$0
7. Available resources: (1)+(2)-(4)+(5)	\$20,267,980	\$13,573,062	\$6,509,156

<sup>1</sup> Includes estimated withdrawal liability payments

<sup>2</sup> The projected benefit payments shown above are based on a closed group, i.e., not reflecting new participants entering the plan. If such new entrants were reflected, in our judgment, this would not change the year of projected insolvency, under the assumptions used. This projection is not intended to be used for any purpose other than this certification.

**EXHIBIT VI**

**Actuarial Assumptions and Methodology**

The actuarial assumptions and plan of benefits are as used in the July 1, 2018 actuarial valuation certificate, dated April 18, 2019, 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.

**Contributions:**

For participants covered under the Default Schedule of the Rehabilitation Plan, the contribution rate is 10% of Basic Weekly Wage Rates.

For participants covered under the Alternative Schedule of the Rehabilitation Plan, the contribution rate is 15% of Basic Weekly Wage Rates.

Contributions in excess of 7% of wages shall not be recognized in determining participants' benefit accruals.

The projected contributions also reflect the following anticipated withdrawal liability payments:

<b>Plan Year Ending 6/30</b>	<b>Amount</b>
2020 through 2022	\$87,812

**Asset Information:**

The financial information as of June 30, 2019 was based on an unaudited financial statement provided by the Fund Administrator.

For projections after June 30, 2019, the assumed administrative expenses were increased by 3% per year and the benefit payments were projected based on the July 1, 2018 actuarial valuation. The projected net investment return was assumed to be 3.0% 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.

**Actuarial Status Certification as of July 1, 2019 under IRC Section 432 for the San Francisco Lithographers Pension Trust**

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EIN 94-6052228 / PN 001

**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 is assumed to be 48 during the projection period. On the average, contributions will be made for each active for 49 weeks each year.

**Future Normal Costs:**

The Unit Credit Normal Cost for 2018-2019 is assumed to decline, as a result of the contraction to 48 actives from the above projected industry activity. Normal Costs are also expected to increase by 3% per year to reflect higher salaries used for benefit contributions.

**EXHIBIT VII**

**Documentation Regarding Scheduled Progress Under Rehabilitation Plan**

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Based on the Rehabilitation Plan in effect as of June 30, 2019, the applicable standard for July 1, 2019, was that for no projected insolvency until after June 30, 2019, using the plan provisions, assumptions/methods, and contribution levels that form the basis of this certification.

Our projections based on this certification indicate the plan will become insolvent during the 2020-2021 Plan Year. Therefore, the annual standard is met.

5598024v2/00679.029



September 27, 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 July 1, 2019 for the following plan:

Name of Plan: San Francisco Lithographers Pension Trust

Plan number: EIN 94-6052228 / PN 001

Plan sponsor: Board of Trustees, San Francisco Lithographers Pension Trust

Address: 1600 Harbor Bay Parkway, Suite 200, Alameda, California 94502-3035

Phone number: 415.546.7800

As of July 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

180 Howard Street, Suite 1100

San Francisco, CA 94105-6147

Phone number: 415.263.8200

Sincerely,

Paul C. Poon, ASA, MAAA, EA

Vice President & Actuary

Enrolled Actuary No. 17-06069

## Section 4: Certificate of Actuarial Valuation

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

Type of Base	Date Established	Amortization Amount	Years Remaining	Outstanding Balance
Combined Base	07/01/2014	\$3,969,024	4	\$15,195,850
Change in Assumptions	07/01/2015	7,394	11	70,466
Experience Loss	07/01/2016	124,691	12	1,278,405
Change in Assumptions	07/01/2016	2,521,086	12	25,847,750
Experience Loss	07/01/2018	44,156	14	513,749
Change in Assumptions	07/01/2018	2,553,145	14	29,705,723
<b>Total</b>		<b>\$9,219,496</b>		<b>\$72,611,943</b>



## Section 4: Certificate of Actuarial Valuation

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

Type of Base	Date Established	Amortization Amount	Years Remaining	Outstanding Balance
Change in Asset Method	07/01/2015	\$146,842	6	\$819,334
Experience Gain	07/01/2015	146,439	11	1,395,589
Change in Funding Method	07/01/2016	86,577	7	555,584
Change In Assumptions	07/01/2017	25,756	13	282,126
Experience Gain	07/01/2017	61,680	13	675,640
Experience Gain	07/01/2019	279	15	3,430
Change in Assumptions	07/01/2019	407,786	15	5,014,163
<b>Total</b>		<b>\$875,359</b>		<b>\$8,745,866</b>

## Section 4: 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 3.00% to 3.07% 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:

- Preretirement mortality rates, previously based on RP-2014 Blue Collar Employee Mortality Table with generational projection using Scale MP2016.
- Postretirement mortality rates, previously based on RP-2014 Blue Collar Healthy Annuitant Mortality Table with generational projection using Scale MP2016.
- Retirement rates for actives, previously:

Age	Retirement Rates*
55 – 59	3%
60	25
61	15
62	35
63 – 64	20
65 – 66	35
67	100

\*For active participants covered under the Default Schedule, the retirement rate from ages 55-64 is 0%.



This statement: June 30, 2021  
 Last statement: May 28, 2021

Contact us:  
 800 773-7100

San Francisco Main Office  
 150 California ST  
 San Francisco CA 94111

432 0830L  
 SAN FRANCISCO LITHOGRAPHERS PENSION TRST  
 C/O ZENITH AMERICAN SOLUTIONS  
 11724 NE 195TH ST SUITE 300  
 BOTHELL WA 98011

cnb.com

**Analyzed Business Checking**

**Account Summary**

Account number	[REDACTED]
Minimum balance	\$190,625.23
Average balance	\$204,373.02
Avg. collected balance	\$203,678.00

**Account Activity**

Beginning balance (5/28/2021)		\$249,285.97
<b>Credits</b>		
Deposits (0)	+ 0.00	
Electronic cr (0)	+ 0.00	
Other credits (3)	+ 79,201.28	
<b>Total credits</b>		<b>+\$79,201.28</b>
<b>Debits</b>		
Checks paid (3)	- 3,020.75	
Electronic db (2)	- 22,200.00	
Other debits (18)	- 39,819.75	
<b>Total debits</b>		<b>-\$65,040.50</b>
Ending balance (6/30/2021)		<b>\$263,446.75</b>

**OTHER CREDITS**

Date	Description	Reference	Credits
6-14	Automatic TRANSFER FROM DEPOSIT SYSTEM ACCOUNT [REDACTED]		9,312.94
6-28	Automatic TRANSFER FROM DEPOSIT SYSTEM ACCOUNT [REDACTED]		5,856.71
6-30	Automatic TRANSFER FROM DEPOSIT SYSTEM ACCOUNT [REDACTED]		64,031.63

**CHECKS PAID**

Number	Date	Amount	Number	Date	Amount	Number	Date	Amount	Number	Date	Amount
6700	6-22	1,800.00	6701	6-18	73.75	6702	6-30	1,147.00			

**ELECTRONIC DEBITS**

Date	Description	Reference	Debits
6-1	Preauthorized Debit EMPLOYMENT DEVEL EDD EFTPMT [REDACTED] SAN FRANCISCO LITH CCD		4,000.00
6-1	Preauthorized Debit IRS USATAXPYMT [REDACTED] SAN FRANCISCO LITH CCD		18,200.00

**OTHER DEBITS**

Date	Description	Reference	Debits
6-1	Automatic TRANSFER TO DEPOSIT SYSTEM ACCOUNT [REDACTED]		13,365.01
6-2	Automatic TRANSFER TO DEPOSIT SYSTEM ACCOUNT [REDACTED]		9,369.53
6-3	Automatic TRANSFER TO DEPOSIT SYSTEM ACCOUNT [REDACTED]		2,433.34
6-4	Automatic TRANSFER TO DEPOSIT SYSTEM ACCOUNT [REDACTED]		1,849.66
6-7	Automatic TRANSFER TO DEPOSIT SYSTEM ACCOUNT [REDACTED]		3,561.60
6-8	Automatic TRANSFER TO DEPOSIT SYSTEM ACCOUNT [REDACTED]		628.72
6-9	Automatic TRANSFER TO DEPOSIT SYSTEM ACCOUNT [REDACTED]		2,122.01
6-10	Automatic TRANSFER TO DEPOSIT SYSTEM ACCOUNT [REDACTED]		1,761.33



**OTHER DEBITS (Continued)**

Date	Description	Reference	Debits
6-11	Automatic TRANSFER TO DEPOSIT SYSTEM ACCOUNT	[REDACTED]	1,369.54
6-15	Automatic TRANSFER TO DEPOSIT SYSTEM ACCOUNT	[REDACTED]	279.40
6-16	Automatic TRANSFER TO DEPOSIT SYSTEM ACCOUNT	[REDACTED]	178.75
6-17	Automatic TRANSFER TO DEPOSIT SYSTEM ACCOUNT	[REDACTED]	725.81
6-21	Automatic TRANSFER TO DEPOSIT SYSTEM ACCOUNT	[REDACTED]	354.61
6-22	Acct Analysis Chg ANALYSIS ACTIVITY FOR 05/21	[REDACTED]	492.40
6-22	Automatic TRANSFER TO DEPOSIT SYSTEM ACCOUNT	[REDACTED]	706.65
6-23	Automatic TRANSFER TO DEPOSIT SYSTEM ACCOUNT	[REDACTED]	39.26
6-24	Automatic TRANSFER TO DEPOSIT SYSTEM ACCOUNT	[REDACTED]	542.87
6-25	Automatic TRANSFER TO DEPOSIT SYSTEM ACCOUNT	[REDACTED]	39.26

**DAILY BALANCES**

Date	Amount	Date	Amount	Date	Amount	Date	Amount
5-28	249,285.97	6-8	195,878.11	6-16	199,480.02	6-24	194,744.67
6-1	213,720.96	6-9	193,756.10	6-17	198,754.21	6-25	194,705.41
6-2	204,351.43	6-10	191,994.77	6-18	198,680.46	6-28	200,562.12
6-3	201,918.09	6-11	190,625.23	6-21	198,325.85	6-30	263,446.75
6-4	200,068.43	6-14	199,938.17	6-22	195,326.80		
6-7	196,506.83	6-15	199,658.77	6-23	195,287.54		

**IMPORTANT NOTICE**

Please examine your statement at once. You are in the best position to find errors or unauthorized transactions and you must tell us at once. If nothing is reported to us promptly this statement will be considered correct and any liability we may have to you may be limited.

**In case of errors or questions about your electronic funds transfers:** Call or write us at the telephone number or address shown on the front of this statement if you think your statement or receipt is wrong or you need more information about a transfer listed on the statement or receipt.

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You may obtain a form to help you **balance your account** at [www.cnb.com/reconcile](http://www.cnb.com/reconcile) or call us at the telephone number shown on the front of this statement to have a form mailed to you.

**All items credited are subject to final payment. See your Account Agreement and Disclosures or Treasury Management Disclosure and Agreement and Fee Schedules for other terms and conditions applicable to your account.**



This statement: June 30, 2021  
 Last statement: May 28, 2021

Contact us:  
 800 773-7100

San Francisco Main Office  
 150 California ST  
 San Francisco CA 94111

432 0830G  
 SAN FRANCISCO LITHOGRAPHERS PENSION TRST  
 C/O ZENITH AMERICAN SOLUTIONS  
 11724 NE 195TH ST SUITE 300  
 BOTHELL WA 98011

cnb.com

## Analyzed Business Checking

Account Summary		Account Activity	
Account number	[REDACTED]	Beginning balance (5/28/2021)	\$0.00
Minimum balance	\$0.00		
Average balance	\$0.00	<b>Credits</b> Deposits (7)	+ 22,927.84
Avg. collected balance	\$0.00	Electronic cr (3)	+ 397,695.03
		Other credits (17)	+ 39,327.35
		<b>Total credits</b>	+ \$459,950.22
		<b>Debits</b> Checks paid (107)	- 48,149.14
		Electronic db (1)	- 332,599.72
		Other debits (4)	- 79,201.36
		<b>Total debits</b>	- \$459,950.22
		Ending balance (6/30/2021)	\$0.00

### DEPOSITS

Date	Description	Reference	Credits
6-14	E-Deposit	00000001	489.76
6-14	E-Deposit	00000001	1,476.72
6-14	E-Deposit	00000001	14,659.68
6-28	E-Deposit	00000001	780.00
6-28	E-Deposit	00000001	1,098.50
6-28	E-Deposit	00000001	1,151.69
6-28	E-Deposit	00000001	3,271.49

### ELECTRONIC CREDITS

Date	Description	Credits
6-1	Preauthorized Credit SF LITHOGRAPHERS REVERSAL ACH OFFSET SAN FRA CCD	450.28
6-4	Preauthorized Credit SF LITHOGRAPHERS REVERSAL ACH OFFSET SAN FRA CCD	144.75
6-30	Preauthorized Credit PBG1 TREAS 310 MISC PAY CCD SF LITHOGRAPHE RMR* IN* [REDACTED] 3\	397,100.00

### OTHER CREDITS

Date	Description	Reference	Credits
6-1	Automatic TRANSFER FROM ZBA TRANSFER [REDACTED]		13,365.01
6-2	Automatic TRANSFER FROM ZBA TRANSFER [REDACTED]		9,369.53
6-3	Automatic TRANSFER FROM ZBA TRANSFER [REDACTED]		2,433.34
6-4	Automatic TRANSFER FROM ZBA TRANSFER [REDACTED]		1,849.66
6-7	Automatic TRANSFER FROM ZBA TRANSFER [REDACTED]		3,561.60
6-8	Automatic TRANSFER FROM ZBA TRANSFER [REDACTED]		628.72
6-9	Automatic TRANSFER FROM ZBA TRANSFER [REDACTED]		2,122.01
6-10	Automatic TRANSFER FROM ZBA TRANSFER [REDACTED]		1,761.33



**OTHER CREDITS (Continued)**

Date	Description	Reference	Credits
6-11	Automatic TRANSFER FROM ZBA TRANSFER [REDACTED]		1,369.54
6-15	Automatic TRANSFER FROM ZBA TRANSFER [REDACTED]		279.40
6-16	Automatic TRANSFER FROM ZBA TRANSFER [REDACTED]		178.75
6-17	Automatic TRANSFER FROM ZBA TRANSFER [REDACTED]		725.81
6-21	Automatic TRANSFER FROM ZBA TRANSFER [REDACTED]		354.61
6-22	Automatic TRANSFER FROM ZBA TRANSFER [REDACTED]		706.65
6-23	Automatic TRANSFER FROM ZBA TRANSFER [REDACTED]		39.26
6-24	Automatic TRANSFER FROM ZBA TRANSFER [REDACTED]		542.87
6-25	Automatic TRANSFER FROM ZBA TRANSFER [REDACTED]		39.26

**CHECKS PAID**

Number	Date	Amount	Number	Date	Amount	Number	Date	Amount
176831	6-10	220.10	177378	6-17	142.13	177423 *	6-4	913.52
176954 *	6-10	220.10	177379	6-3	233.53	177424 *	6-3	779.00
177135 *	6-11	519.77	177380	6-1	321.75	177425	6-4	36.33
177146 *	6-1	432.48	177382 *	6-1	1,030.64	177426	6-4	104.48
177180 *	6-10	220.10	177383	6-2	199.93	177427	6-30	468.65
177249 *	6-8	83.81	177384	6-1	34.92	177428	6-7	308.38
177259 *	6-1	432.48	177386 *	6-2	164.89	177429	6-2	134.92
177264 *	6-17	142.13	177387	6-24	66.47	177430	6-2	847.01
177267 *	6-1	474.36	177388	6-1	79.83	177431	6-9	31.12
177283 *	6-2	122.75	177389	6-2	1,430.00	177432	6-7	157.50
177287 *	6-28	444.97	177391 *	6-7	286.00	177433	6-1	776.47
177292 *	6-1	67.34	177392	6-8	393.25	177434	6-1	357.50
177294 *	6-10	220.10	177393	6-4	55.18	177435	6-1	294.71
177306 *	6-23	39.26	177394	6-1	356.52	177436	6-2	445.60
177331 *	6-15	139.66	177395	6-1	248.38	177437	6-1	164.57
177333 *	6-9	899.46	177396	6-2	119.56	177438	6-7	722.21
177337 *	6-10	44.72	177397	6-3	263.94	177439	6-10	216.00
177356 *	6-14	7,313.22	177398	6-4	393.25	177440	6-2	1,305.00
177357	6-16	178.75	177403 *	6-2	169.99	177441	6-15	139.66
177358	6-10	92.98	177404	6-1	67.34	177442	6-1	93.05
177359	6-7	105.68	177405	6-7	211.46	177443	6-3	65.63
177360	6-11	176.95	177406	6-10	181.58	177444	6-9	735.10
177362 *	6-24	476.40	177407	6-2	780.97	177446 *	6-3	23.11
177363	6-8	76.61	177408	6-2	97.16	177447	6-11	337.05
177364	6-10	300.93	177409	6-7	483.35	177448	6-10	44.72
177365	6-1	521.38	177410	6-2	77.15	177451 *	6-17	441.55
177367 *	6-1	229.20	177411	6-1	1,465.75	177454 *	6-8	75.05
177368	6-3	394.38	177412	6-1	211.94	177455	6-2	1,345.41
177369	6-1	250.87	177414 *	6-1	133.17	177456	6-2	476.45
177370	6-22	706.65	177415	6-7	786.52	177457	6-1	212.24
177372 *	6-1	4,071.11	177416	6-2	125.44	177458	6-1	883.11
177373	6-21	354.61	177417	6-3	653.05	177459	6-2	171.55
177374	6-1	318.59	177418	6-25	39.26	177461 *	6-2	464.75
177375	6-4	206.24	177420 *	6-11	335.77	177462	6-1	285.59
177377 *	6-7	500.50	177421	6-9	456.33	177463	6-4	285.41



SAN FRANCISCO LITHOGRAPHERS PENSION TRST  
June 30, 2021

Page 3

Account #: [REDACTED]

**CHECKS PAID (Continued)**

Number	Date	Amount	Number	Date	Amount	Number	Date	Amount
177464	6-2	891.00	177465	6-3	20.70	* Skip in check sequence		

**ELECTRONIC DEBITS**

Date	Description	Debits
6-30	Preauthorized Debit SF LITHOGRAPHERS PENSION ACH OFFSET SAN FRA CCD	332,599.72

**OTHER DEBITS**

Date	Description	Reference	Debits
6-14	Automatic TRANSFER TO ZBA TRANSFER [REDACTED]		9,312.94
6-15	Service Charge FUNDS ADVANCED OVE RDRAFTS FOR 05/21		.08
6-28	Automatic TRANSFER TO ZBA TRANSFER [REDACTED]		5,856.71
6-30	Automatic TRANSFER TO ZBA TRANSFER [REDACTED]		64,031.63

**DAILY BALANCES**

Date	Amount	Date	Amount	Date	Amount	Date	Amount
5-28	.00	6-8	.00	6-16	.00	6-25	.00
6-1	.00	6-9	.00	6-17	.00	6-28	.00
6-2	.00	6-10	.00	6-21	.00	6-30	.00
6-3	.00	6-11	.00	6-22	.00		
6-4	.00	6-14	.00	6-23	.00		
6-7	.00	6-15	.00	6-24	.00		



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GL# 10530

8/3/2021

San Francisco Lithographers Pension Fund  
City National Acct # [REDACTED] Admin and Depository  
June-2021

City National Acct [REDACTED]

31-May-2021 Balance per General Ledger:		\$249,285.97
Add:	Transfer from Pension ZBA [REDACTED]	79,201.28
Less:	<b>Disbursements and Transfers</b>	
	Disbursements	(21,885.03)
	Pension Manual Issued Check #	
	Bank Analysis Charge Fee based on Activity May	(492.40)
	Transfers to Pension ZBA [REDACTED]	(39,327.35)
	EFTPS Deposit 6/1/21 Run	(18,200.00)
	CA SIT EDD 6/1/21 Run	(4,000.00)
		<hr/>
	Total Disbursements and Transfers	(83,904.78)
<b>30-Jun-2021 Ending GL Balance:</b>		<hr/> <b>\$244,582.47</b> <hr/>

30-Jun-2021 Balance per Bank:		\$263,446.75
Add:	Deposits in Transit	
Less:	Outstanding Checks - see attached list:	(\$18,864.28)
<b>30-Jun-2021 Adjusted Bank Balance:</b>		<hr/> <b>\$244,582.47</b> <hr/>

San Francisco Lithographers Pension Fund  
Outstanding List as of : 6/30/2021  
City National Acct [REDACTED]

Check #	Date	Payee	Amount
6703	6/30/2021	Corporate Mail Service, LLC	376.60
6704	6/30/2021	Zenith American Solutions	1,014.94
6705	6/30/2021	Zenith American Solutions	211.24
6706	6/30/2021	The Segal Company	17,135.00
6707	6/30/2021	IRON MOUNTAIN	126.50

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**\$18,864.28**

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San Francisco Lithographers Pension Fund  
 City National Acct # [REDACTED] Pension  
 June 30, 2021

City National Acct # [REDACTED] Pension

05/31/21	Balance per General Ledger:		(140,627.75)
	Transfer from Depository Account		39,327.35
	Fund Transfer from PBGC- Assistance		397,100.00
	Gross Benefits Issued	(405,248.04)	
	EFT Benefits	334,735.76	
	Manual Checks Cut on Admin Acct		
	Federal W/H	17,961.08	
	State W/H	3,984.76	
	Current Month Voids	See worksheet	
	Current Month Stops	See worksheet	
	Zeus Net checks		(48,566.44)
	Net EFT		(334,735.76)
	PCA Manual checks cut, (reduces net check to amt out of this acct)		
	Manual Checks Pulled from Prepaid		
Add:	Contributions Deposits		
	Funds 2,3,4,6 Contributions for June 2021 : May hrs. , Batch # 101	21,286.39	21,286.39
Add:	Preauthorized ACH Credit [REDACTED], not posted in ZEUS Check Reg. Yet	450.28	
	Preauthorized ACH Credit [REDACTED] not posted in ZEUS Check Register yet	144.75	
			595.03
	<b>Prior Month Stops, Voids &amp; Reimbursements</b>		
Add:	June Prepaid EFT, Cleared in May, net	334,140.73	
	Voided ACH/EFT Reversed	595.03	
	June Prepaid EFT, Cleared in May, total		334,735.76
	July Prepaid EFT, Cleared in June		(332,593.72)
	June Check Cleared in May		1,436.31
	July Check, Cleared in June		
Add:	Prior Month Stopped/Voided check :		
	Stopped ck# 177270: [REDACTED] (5/21)	199.93	
	Voided ck# 176843 & 176964 : [REDACTED] ( 1/21 & 2/21)	257.60	
	Voided ck# 176772, 176899 & 177014: [REDACTED] (1/21 -3/21)	2,654.76	
			3,112.29
Add:	Prior Year Stopped/Voided checks :		
	Voided ck#175610,17561,175904,176044,176174: [REDACTED] (4/20-8/20)	328.30	
	Voided ck# 17435,175739,175883,176025,176157,176281, 176405,176528,176648: [REDACTED] (3/20,5/20-12/20)	7,964.28	
	Voided ck# 175437,175589,175741,175885,176027,176580,176706: [REDACTED] (3/20-12/20)	747.67	
	Voided ck# 175659: [REDACTED] (4/20)	97.16	
	Voided ck# 175442: [REDACTED] (3/20)	181.06	
			9,318.47
Add:	Miscellaneous Deposits		
	State of California EDD Refunds : 4th Qtr 2020		\$489.76
Add:	Pension Reimbursement fr [REDACTED] : deceased posted in July 2021 ZEUS CK Register		1,151.69
Less:	Transfer from Pension to Admin and Depository Account		(75,201.28)
Less:	Bank Charge for overdraft		(0.08)
06/30/21	Ending GL Balance:		<u><u>(\$27,177.98)</u></u>
06/30/21	Balance per Bank:		\$0.00
Add:	Deposit in Transit : Reimbursement from [REDACTED]		\$894.33
Less:	Outstanding Checks		(28,072.31)
06/30/21	Adjusted Bank Balance:		<u><u>(\$27,177.98)</u></u>
			\$0.00

S.F. Lithographers Pension Trust  
 City National Acct # [REDACTED] Pension  
 Outstanding checks as of:

6/30/2021

<u>Sequence</u>	<u>Date</u>	<u>Check #</u>	<u>Check Amt</u>	<u>Name of Pensioner</u>
	5/1/2015	165710	376.75	[REDACTED]
	1/1/2017	169705	45.73	[REDACTED]
	1/1/2017	169879	45.73	[REDACTED]
	2/1/2017	170087	36.33	[REDACTED]
	3/1/2017	170216	45.73	[REDACTED]
	3/1/2017	170316	399.67	[REDACTED]
	4/1/2017	170383	45.73	[REDACTED]
	5/1/2017	170735	637.96	[REDACTED]
	6/1/2017	170749	505.58	[REDACTED]
	6/1/2017	170784	98.52	[REDACTED]
	8/1/2017	170875	510.88	[REDACTED]
	8/1/2017	171135	342.57	[REDACTED]
	8/1/2017	171378	141.82	[REDACTED]
	12/1/2017	171604	357.00	[REDACTED]
	2/1/2018	171707	93.05	[REDACTED]
	2/1/2018	171807	510.88	[REDACTED]
	3/1/2018	171865	93.05	[REDACTED]
	3/1/2018	172034	93.05	[REDACTED]
	4/1/2018	172200	93.05	[REDACTED]
	5/1/2018	172319	133.17	[REDACTED]
	6/1/2018	172349	40.22	[REDACTED]
	6/1/2018	172363	93.05	[REDACTED]
	7/1/2018	172508	40.22	[REDACTED]
	7/1/2018	172523	93.05	[REDACTED]
	7/1/2018	172667	40.22	[REDACTED]
	8/1/2018	172683	93.05	[REDACTED]
	9/1/2018	172798	133.17	[REDACTED]
	9/1/2018	172843	93.05	[REDACTED]
	10/1/2018	172885	415.57	[REDACTED]
	10/1/2018	172954	133.17	[REDACTED]
	11/1/2018	173041	415.57	[REDACTED]
	2/1/2019	173553	101.39	[REDACTED]
	4/1/2019	173957	120.00	[REDACTED]
	5/1/2019	173980	333.14	[REDACTED]
	5/1/2019	174028	183.33	[REDACTED]
	5/1/2019	174070	369.18	[REDACTED]
	6/1/2019	174111	710.88	[REDACTED]
	6/1/2019	174117	124.45	[REDACTED]
	6/1/2019	174130	65.66	[REDACTED]
	6/1/2019	174164	301.84	[REDACTED]
	8/1/2019	174490	125.44	[REDACTED]
	9/1/2019	174561	315.96	[REDACTED]
	9/1/2019	174569	124.45	[REDACTED]
	9/1/2019	174602	305.46	[REDACTED]
	9/1/2019	174693	144.81	[REDACTED]
	9/1/2019	174765	219.99	[REDACTED]
	10/1/2019	174837	708.90	[REDACTED]
	10/1/2019	174942	367.02	[REDACTED]
	11/1/2019	175069	220.10	[REDACTED]
	12/1/2019	175122	167.07	[REDACTED]
	12/1/2019	175226	39.26	[REDACTED]
	1/1/2020	175266	710.88	[REDACTED]
	1/1/2020	175280	63.72	[REDACTED]
	1/1/2020	175382	518.72	[REDACTED]
	2/1/2020	175435	VOID	[REDACTED]
	3/1/2020	175437	VOID	[REDACTED]
	3/1/2020	175442	VOID	[REDACTED]
	3/1/2020	175589	VOID	[REDACTED]

S.F. Lithographers Pension Trust  
 City National Acct # [REDACTED] Pension  
 Outstanding checks as of:

6/30/2021

<u>Sequence</u>	<u>Date</u>	<u>Check #</u>	<u>Check Amt</u>	<u>Name of Pensioner</u>
	4/1/2020	175610	VOID	[REDACTED]
	4/1/2020	175659	VOID	[REDACTED]
	4/1/2020	175739	VOID	[REDACTED]
	4/1/2020	175741	VOID	[REDACTED]
	4/1/2020	175752	426.42	[REDACTED]
	5/1/2020	175761	VOID	[REDACTED]
	5/1/2020	175856	93.05	[REDACTED]
	5/1/2020	175883	VOID	[REDACTED]
	5/1/2020	175885	VOID	[REDACTED]
	5/1/2020	175904	VOID	[REDACTED]
	5/1/2020	176025	VOID	[REDACTED]
	5/1/2020	176027	VOID	[REDACTED]
	5/1/2020	176033	124.45	[REDACTED]
	6/1/2020	176044	VOID	[REDACTED]
	6/1/2020	176157	VOID	[REDACTED]
	6/1/2020	176174	VOID	[REDACTED]
	7/1/2020	176176	333.14	[REDACTED]
	8/1/2020	176281	VOID	[REDACTED]
	8/1/2020	176301	333.14	[REDACTED]
	8/1/2020	176405	VOID	[REDACTED]
	10/1/2020	176422	333.14	[REDACTED]
	10/1/2020	176507	38.52	[REDACTED]
	10/1/2020	176528	VOID	[REDACTED]
	10/1/2020	176546	333.14	[REDACTED]
	10/1/2020	176547	325.78	[REDACTED]
	11/1/2020	176580	VOID	[REDACTED]
	11/1/2020	176648	VOID	[REDACTED]
	11/1/2020	176670	333.14	[REDACTED]
	12/1/2020	176706	VOID	[REDACTED]
	12/1/2020	176757	240.50	[REDACTED]
	12/1/2020	176772	VOID	[REDACTED]
	12/1/2020	176774	399.67	[REDACTED]
	12/1/2020	176775	642.77	[REDACTED]
	12/1/2020	176790	546.82	[REDACTED]
	1/1/2021	176792	333.14	[REDACTED]
	1/1/2021	176810	299.40	[REDACTED]
	1/1/2021	176843	VOID	[REDACTED]
	1/1/2021	176882	240.50	[REDACTED]
	1/1/2021	176897	333.14	[REDACTED]
	1/1/2021	176899	VOID	[REDACTED]
	1/1/2021	176901	399.67	[REDACTED]
	1/1/2021	176902	642.77	[REDACTED]
	2/1/2021	176964	VOID	[REDACTED]
	1/1/2021	177000	240.50	[REDACTED]
	3/1/2021	177014	VOID	[REDACTED]
	3/1/2021	177070	220.10	[REDACTED]
	3/1/2021	177116	240.50	[REDACTED]
	4/1/2021	177155	116.70	[REDACTED]
	4/1/2021	177175	169.46	[REDACTED]
	4/1/2021	177225	71.45	[REDACTED]
	4/1/2021	177227	240.50	[REDACTED]
	5/1/2021	177241	415.57	[REDACTED]
	5/1/2021	177247	519.77	[REDACTED]
	5/1/2021	177268	116.70	[REDACTED]
	5/1/2021	177270	STOP	[REDACTED]
	5/1/2021	177277	596.78	[REDACTED]
	5/1/2021	177286	219.99	[REDACTED]
	5/1/2021	177288	169.46	[REDACTED]

S.F. Lithographers Pension Trust  
 City National Acct # [REDACTED] Pension  
 Outstanding checks as of:

6/30/2021

<u>Sequence</u>	<u>Date</u>	<u>Check #</u>	<u>Check Amt</u>	<u>Name of Pensioner</u>
	5/1/2021	177301	340.31	[REDACTED]
	5/1/2021	177302	133.17	[REDACTED]
	5/1/2021	177307	59.95	[REDACTED]
	5/1/2021	177339	71.45	[REDACTED]
	5/1/2021	177341	240.50	[REDACTED]
	6/1/2021	177355	352.93	[REDACTED]
	6/1/2021	177361	455.83	[REDACTED]
	6/1/2021	177366	347.32	[REDACTED]
	6/1/2021	177371	478.87	[REDACTED]
	6/1/2021	177376	202.15	[REDACTED]
	6/1/2021	177381	116.70	[REDACTED]
	6/1/2021	177383	199.93	[REDACTED]
	6/1/2021	177390	429.00	[REDACTED]
	6/1/2021	177399	217.24	[REDACTED]
	6/1/2021	177400	386.81	[REDACTED]
	6/1/2021	177401	140.85	[REDACTED]
	6/1/2021	177413	178.75	[REDACTED]
	6/1/2021	177419	59.95	[REDACTED]
	6/1/2021	177422	109.05	[REDACTED]
	6/1/2021	177445	158.30	[REDACTED]
	6/1/2021	177449	130.68	[REDACTED]
	6/1/2021	177450	71.45	[REDACTED]
	6/1/2021	177452	213.38	[REDACTED]
	6/1/2021	177453	286.00	[REDACTED]
	6/1/2021	177460	63.72	[REDACTED]
<b>Total Outstanding</b>			<b>28,072.31</b>	

**S.F. Lithographers Pension Trust**  
**Checks paid Early**  
**Wednesday, June 30, 2021**

Check #

Amount

\_\_\_\_\_  
\$ -  
\_\_\_\_\_



INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

**RECEIVED**

Date: **JUL 01 2015**

Employer Identification Number: **JUL 06 2015**  
94-6052228

**SALTZMAN & JOHNSON**

JOINT BOARD OF TRUSTEES SAN  
FRANCISCO LITHOGRAPHERS PENSION  
C/O SALTZMAN & JOHNSON LAW CORPORATION  
PHILIP M MILLER  
44 MONTGOMERY ST STE 2110  
SAN FRANCISCO, CA 94104

DLN: 17007022082025  
Person to Contact:  
CLARICE ALEXANDER ID# XXXXXXXXXX  
Contact Telephone Number:  
(443) 853-5527  
Plan Name:  
SAN FRANCISCO LITHOGRAPHERS PENSION  
TRUST  
Plan Number: 001

Dear Applicant:

We have made a favorable determination on the plan identified above based on the information you have supplied. Please keep this letter, the application forms submitted to request this letter and all correspondence with the Internal Revenue Service regarding your application for a determination letter in your permanent records. You must retain this information to preserve your reliance on this letter.

Continued qualification of the plan under its present form will depend on its effect in operation. See section 1.401-1(b)(3) of the Income Tax Regulations. We will review the status of the plan in operation periodically.

The enclosed Publication 794 explains the significance and the scope of this favorable determination letter based on the determination requests selected on your application forms. Publication 794 describes the information that must be retained to have reliance on this favorable determination letter. The publication also provides examples of the effect of a plan's operation on its qualified status and discusses the reporting requirements for qualified plans. Please read Publication 794.

This letter relates only to the status of your plan under the Internal Revenue Code. It is not a determination regarding the effect of other federal or local statutes.

This determination letter gives no reliance for any qualification change that becomes effective, any guidance published, or any statutes enacted, after the issuance of the Cumulative List (unless the item has been identified in the Cumulative List) for the cycle under which this application was submitted.

This determination letter is applicable for the amendment(s) executed on 4/17/13 & 12/12/12.

This determination letter is also applicable for the amendment(s) dated on 12/20/10 & 12/16/09.

This determination is subject to your adoption of the proposed amendments

Letter 2002

JOINT BOARD OF TRUSTEES SAN

submitted in your letter dated 6/16/15. The proposed amendments should be adopted on or before the date prescribed by the regulations under Code section 401(b).

This determination is conditioned upon your adoption of the proposed restated plan as submitted with your or your representative's letter dated 1/20/15. The proposed plan should be adopted on or before the date prescribed by the regulations under Code section 401(b).

This letter may not be relied on after the end of the plan's first five-year remedial amendment cycle that ends more than 12 months after the application was received. This letter expires on January 31, 2020. This letter considered the 2013 Cumulative List of Changes in Plan Qualification Requirements.

The information on the enclosed addendum is an integral part of this determination. Please be sure to read and keep it with this letter.

We have sent a copy of this letter to your representative as indicated in the Form 2848 Power of Attorney or appointee as indicated by the Form 8821 Tax Information Authorization.

If you have questions concerning this matter, please contact the person whose name and telephone number are shown above.

Sincerely,



Karen D. Truss  
Director, EP Rulings & Agreements

Enclosures:  
Publication 794  
Addendum

JOINT BOARD OF TRUSTEES SAN

This determination letter does not provide reliance for any portion(s) of the document that incorporates the terms of an auxiliary agreement (collective bargaining, reciprocity and/or participation agreement), unless the exact language of the section(s) that is being incorporated by reference to the auxiliary agreement has been appended to the document.

**ACH VENDOR/MISCELLANEOUS PAYMENT  
ENROLLMENT FORM**

OMB No. 1510-0056

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 GUARANTY COPORATION		
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 SAN FRANCISCO LITHOGRAPHERS	SSN NO. OR TAXPAYER ID NO. 946052228
ADDRESS C/O ZENITH AMERICAN SOLUTIONS 11724 NE 195TH ST SUITE 300 BOTHELL WA 98011	
CONTACT PERSON NAME KATHRYN BERRY	TELEPHONE NUMBER: ( 415 ) 536-8260

**FINANCIAL INSTITUTION INFORMATION**

NAME: CITY NATIONAL BANK	
ADDRESS: SAN FRANCISCO MAIN OFFICE 150 CALIFORNIA ST SAN FRANCISCO , CA 94111	
ACH COORDINATOR NAME: DOROTHY OVER	TELEPHONE NUMBER: ( 415 ) 576-2558
NINE-DIGIT ROUTING TRANSIT NUMBER: <u>  1  </u> <u>  2  </u> <u>  2  </u> <u>  0  </u> <u>  1  </u> <u>  6  </u> <u>  0  </u> <u>  6  </u> <u>  6  </u>	
DEPOSITOR ACCOUNT TITLE: SAN FRANCISCO LITHOGRAPHERS PENSION TRUST PLAN	
DEPOSITOR ACCOUNT NUMBER: ██████████	LOCKBOX NUMBER:
TYPE OF ACCOUNT: <input checked="" type="checkbox"/> CHECKING <input type="checkbox"/> SAVINGS <input type="checkbox"/> LOCKBOX	
SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL: (Could be the same as ACH Coordinator) DWITI DAWDA	TELEPHONE NUMBER: ( 206 ) 378-6311

AUTHORIZED FOR LOCAL REPRODUCTION

SF 3881 (Rev. 2/2003 )  
Prescribed by Department of Treasury  
31 U S C 3322; 31 CFR 210



Do Not Use For Account Transactions  
PO BOX 3009  
MONROE, WI 53566-8309

0007182101WB0047AUTC T80724294502-303550 -C02-P07189-4



SAN FRANCISCO LITHOGRAPHERS  
PENSION TRUST FUND  
ATTN: SCOTT WALL  
1600 HARBOR BAY PARKWAY  
SUITE 200  
ALAMEDA CA 94502-3035



June 30, 2021, year-to-date statement  
View your statements online at [vanguard.com](http://vanguard.com).

Intermediary Services: 800-669-0498



### Statement overview

**\$139,806.06**

Total value of all accounts as of June 30, 2021

Accounts	Value on 12/31/2020	Value on 06/30/2021
SAN FRANCISCO LITHOGRAPHERS PENSION TRUST FUND		
<b>Retirement Trust account</b>	<b>\$2,279,707.81</b>	<b>\$139,806.06</b>

### Asset mix



	Value on 06/30/2021
0.0% Stocks	\$0.00
0.0% Bonds	0.00
100.0% Short-term reserves	139,806.06
0.0% Other	0.00
	<b>\$139,806.06</b>

Your asset mix percentages are based on your holdings as of the prior month-end.

Retirement trust account

Intermediary Services: 800-669-0498

SAN FRANCISCO LITHOGRAPHERS PENSION TRUST FUND

Account overview

**\$139,806.06**

Total account value as of June 30, 2021

**Year-to-date income**

Taxable income	\$98.25
Nontaxable income	0.00
<b>Total</b>	<b>\$98.25</b>

**Balances and holdings for Vanguard funds**

Beginning on January 1, 2012, new tax rules on taxable (nonretirement) mutual fund accounts (excluding money market funds) require Vanguard to track cost basis information for shares acquired and subsequently sold, on or after that date. Unless you select another method, sales of Vanguard mutual funds, but not ETFs, will default to the average cost method. For more information, visit [vanguard.com/costbasis](http://vanguard.com/costbasis).

Symbol	Name	Fund and account	Average price per share	Total cost	Balance on 12/31/2020	Balance on 06/30/2021
VUSXX	Treasury Money Market		-	-	\$2,279,707.81	\$139,806.06
					<b>\$2,279,707.81</b>	<b>\$139,806.06</b>

**Account activity for Vanguard funds**

Treasury Money Market

Purchases	Withdrawals	Dividends
\$0.00	-\$2,140,000.00	\$98.25
7-day SEC yield as of 06/30/2021*		0.01%

\*Average annualized income dividend over the past 7 days. For updated information, visit [vanguard.com](http://vanguard.com)



Retirement trust account  
SAN FRANCISCO LITHOGRAPHERS PENSION TRUST FUND

Intermediary Services: 800-669-0498

Account activity for Vanguard funds continued

Treasury Money Market [REDACTED] continued

Date	Transaction	Amount	Share price	Shares transacted	Total shares owned	Value
	Beginning balance on 12/31/2020		\$1.00		2,279,707.810	\$2,279,707.81
01/15	Wire redemption	-\$560,000.00	1.00	-560,000.000	1,719,707.810	
01/29	Income dividend	58.71	1.00	58.710	1,719,766.520	
02/23	Wire redemption	-540,000.00	1.00	-540,000.000	1,179,766.520	
02/26	Income dividend	26.11	1.00	26.110	1,179,792.630	
03/18	Wire redemption	-740,000.00	1.00	-740,000.000	439,792.630	
03/31	Income dividend	7.89	1.00	7.890	439,800.520	
04/26	Wire redemption	-300,000.00	1.00	-300,000.000	139,800.520	
04/30	Income dividend	3.20	1.00	3.200	139,803.720	
05/28	Income dividend	1.19	1.00	1.190	139,804.910	
06/30	Income dividend	1.15	1.00	1.150	139,806.060	
	<b>Ending balance on 6/30/2021</b>		<b>\$1.00</b>		<b>139,806.060</b>	<b>\$139,806.06</b>

Per your request, a copy of this statement has been sent to:  
ZENITH AMERICAN SOLUTIONS  
11724 NE 195TH ST SUITE 300  
BOTHELL WA 98011-8242

2/27/07: 212830 RSBAM-16 100A 000000065525560 L2 - 1 -35215-0  
7242-02-00-0007162-0002-0017330



## **SAN FRANCISCO LITHOGRAPHERS PENSION TRUST**

### **Updated Rehabilitation Plan**

*November 17, 2015*

#### **Introduction**

The Pension Protection Act of 2006 (“PPA”), as amended by the Worker, Retiree, and Employer Act of 2008 (“WRERA”) and the Multiemployer Pension Reform Act of 2014 (“MPRA”), requires the Trustees of a multiemployer pension fund that has been certified by its actuary as being in Critical Status to develop a Rehabilitation Plan. The Rehabilitation Plan should enable the fund to cease to be in Critical Status by the end of the rehabilitation period. However, if the Trustees determine, based upon the exhaustion of all reasonable measures, that the fund cannot reasonably be expected to emerge by the end of the rehabilitation period, the Rehabilitation Plan should be designed to enable the fund to cease to be in Critical Status at a later date, or if not reasonable, to forestall possible insolvency. The Rehabilitation Plan must be based on reasonably anticipated experience and on reasonable actuarial assumptions.

On September 26, 2008, the San Francisco Lithographers Pension Trust (“the Fund”) was certified by its actuary to be in Critical Status for the Plan Year beginning July 1, 2008. On September 28, 2015, the Fund was certified to be in Critical and Declining Status for the Plan Year beginning July 1, 2015.

This Rehabilitation Plan:

1. specifies the rehabilitation period;
2. describes alternatives the Trustees considered when preparing the Rehabilitation Plan;
3. explains why the Trustees concluded that there are no reasonable measures that would enable the Fund to emerge from Critical Status by the end of the rehabilitation period;
4. includes remedies and two schedules of benefits and contributions (Default and Preferred Alternative) that, if adopted by the bargaining parties, are projected to enable the Fund to postpone the projected date of insolvency. One of these schedules must be adopted as part of acceptable future collective bargaining agreements between the union and contributing employers that are agreed to after June 20, 2009;
5. explains how the Default Schedule or the Preferred Alternative Schedule will be put into effect automatically if the bargaining parties do not agree on an acceptable schedule in a timely manner; and
6. sets out annual standards to be achieved under the Rehabilitation Plan and describes how the Rehabilitation Plan will be updated from time to time.

#### **Rehabilitation Period**

The rehabilitation period is the period of ten or thirteen Plan Years beginning July 1, 2009.

## **Rehabilitation Plan Standard**

PPA generally provides a 10-year rehabilitation period to emerge from Critical Status. Pursuant to Section 205 of WRERA, the Trustees could elect to extend the 10-year rehabilitation period to a 13-year rehabilitation period. However, PPA also specifically provides for a plan to emerge from Critical Status later, if possible, or to forestall insolvency if the plan cannot reasonably be expected to emerge by the end of the rehabilitation period, or at all, as determined by its Trustees.

The Board of Trustees considered several actions, options, and alternatives that would enable the Fund to emerge from Critical Status either by the end of the rehabilitation period or as soon as reasonably possible after the period. The Trustees have determined the remedies considered to emerge from Critical Status were unreasonable measures that would be untenable or counterproductive and adverse to the Fund and Fund participants. The various remedies and alternative schedules considered included the following:

1. Seek the assistance of the Pension Benefit Guaranty Corporation (PBGC) to improve the funding position of the Fund: The Trustees have considered various possible approaches with the PBGC. The concepts of PBGC assisted merger and PBGC approved managed mass withdrawal were determined to be unachievable after considerable discussion. The approach of partitioning the Fund's liability related to benefits earned by participants through service with employers who became, or will become, bankrupt into a new pension plan that will receive assistance was also considered by the Trustees but was determined not to be viable due to the relatively small amount of plan liability that would be eligible for assistance.
2. Secure a merger with another fund: Various standard mergers (not PBGC-assisted) were considered and/or explored during and before the Fund entered critical status. In each case, the Trustees of the proposed merger partner were found to be unwilling or unable to effectuate a merger.
3. Studying the impact of various benefit changes and/or increased employer contributions: It was found that even if all non-protected and adjustable benefits were reduced to the extent permitted by law and the benefit accrual rate was reduced to 1.00% of contributions (excluding contributions added specifically for purposes of strengthening the fund) unilaterally by the Trustees, the contribution rate would need to be increased by 44% per year each year until the end of the 10-year rehabilitation period, based on reasonable assumptions and taking into account all asset declines suffered by the Fund through April 2009. The contribution rate would need to be increased 35% per year each year to emerge by the end of a 13-year rehabilitation period.

As shown above, emergence by the end of the rehabilitation period required double-digit annual contribution rate increases. For example, the contribution rate would have to grow from 7% of compensation to over 200%. The Board of Trustees concluded that such changes in contribution rate to emerge from the Critical Status by the end of the rehabilitation period were unreasonable and involved considerable risk to the Fund and Fund participants. In reaching this conclusion the Board considered (1) trends and financial information concerning the decline in the print industry in general, (2) the rapid decline of contributing employers and of active participants in the Fund, and (3) summaries of financial data concerning the remaining larger contributing employers to the fund. The Board also considered the impact of eliminating all adjustable benefits upon the willingness of the remaining active employees to continue providing skilled labor to the remaining contributing employers. The Board concluded that the continued existence of the Fund and the Trustees' ability to discourage bargaining withdrawals and maintain or improve the Fund's funded status would be jeopardized by any attempt to emerge from Critical Status by the end of the rehabilitation period.

The Board of Trustees concluded that annual contribution rate increases in excess of those called for under the attached Preferred Alternative Schedule were not reasonable and could trigger mass withdrawals and significant losses to the Fund and participants. The Trustees further concluded that contributions required to emerge from critical status “at a later date” would be unreasonable and therefore the Rehabilitation Plan could not be expected to do any more than forestall insolvency.

### **Trustee Approved Rehabilitation Plan Remedies**

Having considered all reasonable measures to emerge from critical status, the Trustees have concluded that the Fund cannot reasonably be expected to emerge from critical status by the end of the rehabilitation period or at a later date. Based on this, they have adopted the following reasonable measures to forestall insolvency of the Fund:

#### 1. Reducing Future Benefit Accruals

The Trustees are amending the pension plan so as to reduce the benefit crediting factor from 1.50% to 1.00% of contributions, effective July 1, 2009. Contributions for this purpose shall only include monies up to 7% of compensation.

#### 2. Inactive Vested and Retired Participants

For a Participant who retires after July 1, 2009 and prior to the date that the Employer executes a collective bargaining agreement after June 20, 2009, all adjustable and non-protected benefits are eliminated effective on the date of retirement. For a participant who is not actively working but has not incurred a One-Year Break in Service as of June 30, 2009 (i.e. he earned at least 10 weeks of Service during the July 1, 2008 – June 30, 2009 Plan Year) the benefit changes and their effective date will be based on when his or her last Employer executes a collective bargaining agreement, and which schedule is implemented pursuant to that agreement. For a Participant who has incurred a One-Year Break in Service as of June 30, 2009, all adjustable and non-protected benefits are eliminated as of July 1, 2009. **Regardless of the foregoing, in no event will any participant who retires effective July 1, 2009 or earlier be affected by any of the benefit reductions described herein.**

#### 3. Default Schedule

Under this schedule, all non-protected and adjustable benefits for participants who retired on or after August 1, 2009 are eliminated effective August 1, 2009, or if later, the date the Default Schedule is adopted pursuant to collective bargaining, or imposed automatically by the Trustees. The non-protected and adjustable benefits that are being eliminated are described in Attachment A: Default Schedule. Employer contribution rates increase under this schedule as described in Attachment A.

#### 4. Preferred Alternative Schedule

The benefits under this schedule are as described above for the Default Schedule, except (1) Supplemental Early Retirement Benefits (“SERP”) will be payable, up to a maximum of \$600 per month, with all SERP payments terminating on June 30, 2013 (except for participants whose benefits are unaffected by this Rehabilitation Plan), and (2) Early Retirement Benefits will continue to be available but the subsidy in existence prior to the plan’s initial entry into critical status will be eliminated, so that Early Retirement Benefits are determined on the basis of actuarial equivalence to the Normal Retirement Benefit. The Preferred Alternative Schedule requires employer contribution rate increases as shown in Attachment B

The Rehabilitation Plan is expected to delay the projected insolvency date by two years (from the plan year ending June 30, 2019 to the plan year ending June 30, 2021) based on reasonable assumptions.

#### **Automatic Implementation of Rehabilitation Plan Schedule**

If a collective bargaining agreement providing for contributions under the Fund that was in effect on July 1, 2008 expires, and after receiving the Rehabilitation Plan schedules, the bargaining parties fail to adopt contribution or benefit schedules with terms consistent with the Rehabilitation Plan, the Default Schedule will be implemented automatically 180 days after the date on which the collective bargaining agreement expires, provided the employer has not withdrawn from the Fund.

If a collective bargaining agreement providing for contributions in accordance with a Schedule expires after receiving one or more updated Schedules and the bargaining parties fail to adopt a contribution schedule consistent with the updated Rehabilitation Plan and any of its Schedules, then by 180 days after the expiration of such agreement, the Schedule applicable to the expired agreement, as updated and in effect on such expiration, will be automatically imposed.

#### **Annual Standards for Meeting the Rehabilitation Requirements and Updating of Rehabilitation Plan**

Based on reasonable assumptions, the Fund is projected to become insolvent. The year of projected insolvency will vary each year as actual experience differs from the assumptions. The Trustees recognize the possibility that actual experience could be less favorable than the reasonable assumptions used for the Rehabilitation Plan and the need to update the Rehabilitation Plan on an annual basis. Consequently, the annual standard for meeting the requirements of this Rehabilitation Plan is for updated actuarial projections each year to show, based on reasonable assumptions, that under the Rehabilitation Plan (as amended from time to time) the Fund will forestall insolvency until at least the end of the plan year ending in 2019.

#### **Annual Updating of Rehabilitation Plan**

Each year the Fund’s actuary will review and certify the status of the Fund under PPA funding rules and whether the Fund is making the scheduled progress in meeting the requirements of the Rehabilitation Plan. If the Trustees determine that it is necessary in light of updated information, they will revise the Rehabilitation Plan and present updated schedules to the bargaining parties. Notwithstanding subsequent changes in benefit and contribution schedules, a schedule provided by the Trustees and relied upon by the bargaining parties in negotiating a collective bargaining agreement shall remain in effect for the duration of that collective bargaining agreement.

## ATTACHMENT A: DEFAULT SCHEDULE

### **Affected Participants**

The changes described in this schedule apply to participants retiring or terminating employment after this schedule is adopted or this schedule is automatically implemented. Also, benefits for deferred vested participants (i.e., participants who are not working in covered employment but who have a vested deferred benefit under the Fund and have incurred a One-Year Break in Service as of June 30, 2009) are payable in accordance with the provisions of this Default Schedule if the participant left covered employment before a different schedule was agreed to by his/her employer. In addition, benefits for participants who retired or will retire after July 1, 2009 and before a different schedule is agreed to by his/her employer are payable in accordance with the provisions of this Default Schedule starting prospectively as soon as legally permissible after the Rehabilitation Plan is adopted.

### **Benefit Changes**

- The 120-month guaranteed benefit is eliminated.
- The Pre-Retirement Death Benefit is eliminated.
- The Early Retirement Benefit is eliminated for future retirees.
- The Supplemental Early Retirement Benefit is eliminated.
- The subsidy in the Qualified Joint and Survivor Annuity (a Marital Annuity) is eliminated.

### **Contributions**

Contribution rates increase from 7% to 10% of Basic Weekly Wage Rates effective immediately upon implementation of this schedule. Contributions in excess of 7% of wages shall not be recognized in determining participants' benefit accruals.

## ATTACHMENT B: PREFERRED ALTERNATIVE SCHEDULE

### **Affected Participants**

The changes described in this schedule apply to participants retiring or terminating employment after this schedule is adopted who become covered by a new agreement conforming to the schedule. This schedule also applies to participants who are not actively working as of June 30, 2009 but have not incurred a One-Year Break in Service, and whose most recent employer signs an agreement whose terms conform to this schedule.

### **Benefit Changes**

- The 120-month guaranteed benefit is eliminated.
- The Pre-Retirement Death Benefit is eliminated.
- The Early Retirement Benefit is adjusted so that reductions are based on actuarial equivalence to the Normal Retirement Benefit.
- The Supplemental Early Retirement Benefit is limited to \$600 per month and ceases entirely after June 30, 2013.
- The subsidy in the Qualified Joint and Survivor Annuity (“Marital Annuity”) is eliminated, so that it is actuarially equivalent to a single life annuity.

### **Contributions**

Employer contribution rates (as a percentage of Basic Weekly Wage Rates) must increase by 1.0% per year, beginning July 1, 2009, to a maximum of 15% of wages, starting on the effective date of an agreement that conforms to this schedule (and each anniversary thereof), as follows:

Balance of Year Beginning In	Rate Increase	Total Rate After Reflecting Increase
2009	1.0%	8.0%
2010	1.0%	9.0%
2011	1.0%	10.0%
2012	1.0%	11.0%
2013	1.0%	12.0%
2014	1.0%	13.0%
2015	1.0%	14.0%
2016	1.0%	15.0%

Example 1: If a new three year agreement is effective July 1, 2009, the contribution rate would need to increase by 1.0% effective July 1, 2009, an additional 1.0% effective July 1, 2010, and an additional 1.0% effective July 1, 2011.

Example 2: If a new two year agreement is effective September 1, 2010, the weekly contribution rate would need to increase by 2.0% effective September 1, 2010 and an additional 1.0% effective September 1, 2011.

Contributions in excess of 7% of wages shall not be recognized in determining participants’ benefit accruals.

**TEMPLATE 3**

**Historical Plan Information**

File name: *Template 3 Pension Plan Name*, where "Pension Plan Name" is an abbreviated version of the plan name.

v20210706p

For supplemental submission due to merger under § 4262.4(f)(1)(ii): *Template 3 Pension Plan Name Merged*, where "Pension Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.

Provide historical plan information for each of the most recent 10 plan years immediately preceding the application filing date that separately identifies: total contributions, total contribution base units (including identification of the base unit used (i.e., hourly, weekly)), average contribution rates, and number of active participants at the beginning of each plan year. Also show separately for each of the most recent 10 plan years immediately preceding the application filing date all other sources of non-investment income, including, if applicable, withdrawal liability payments collected, reciprocity contributions (if applicable), additional contributions from the rehabilitation plan (if any), and other identifiable contribution streams.

If the sum of all contributions and withdrawal liabilities shown on this table does not equal the amount shown as contributions credited to the funding standard account on the plan year Schedule MB of Form 5500, include an explanation as a footnote to this table.

**PLAN INFORMATION**

Abbreviated Plan Name:	Litho
EIN:	94-6052228
PN:	001

Unit (e.g. hourly, weekly)	wages
----------------------------	-------

All Other Sources of Non-Investment Income

Plan Year (in order from oldest to most recent)	Plan Year Start Date	Plan Year End Date	Total Contributions*	Total Contribution Base Units	Average Contribution Rate	Reciprocity Contributions (if applicable)	Additional Rehab Plan Contributions (if applicable)	Other - Explain if Applicable	Withdrawal Liability Payments Collected	Number of Active Participants at Beginning of Plan Year
2011	07/01/2011	06/30/2012	\$442,145	4,377,825	10.1%				\$47,204.00	115
2012	07/01/2012	06/30/2013	\$396,524	3,979,798	10.0%				\$1,687,468.00	85
2013	07/01/2013	06/30/2014	\$352,814	3,515,133	10.0%				\$118,016.00	76
2014	07/01/2014	06/30/2015	\$343,048	3,289,297	10.4%				\$93,592.00	65
2015	07/01/2015	06/30/2016	\$291,156	2,897,826	10.0%				\$87,812.00	63
2016	07/01/2016	06/30/2017	\$263,156	2,629,995	10.0%				\$87,812.00	56
2017	07/01/2017	06/30/2018	\$288,346	2,815,092	10.2%				\$87,812.00	49
2018	07/01/2018	06/30/2019	\$286,208	2,824,828	10.1%				\$87,812.00	49
2019	07/01/2019	06/30/2020	\$276,441	2,702,365	10.2%				\$87,812.00	52
2020	07/01/2020	06/30/2021	\$277,416	unknown					\$87,812.00	50

\* Total contributions shown here should be contributions based upon CBUs and should not include items separately shown in any columns under "All Other Sources of Non-Investment Income."

**TEMPLATE 1**

File name: *Template 1 Pension Plan Name* , where "Pension Plan Name" is an abbreviated version of the plan name. v20210706p

**Form 5500 Projection**

For supplemental submission due to merger under § 4262.4(f)(1)(ii): *Template 1 Pension Plan Name Merged* , where "Pension Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.

For the 2018 plan year until the most recent plan year for which the Form 5500 is required to be filed, 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 is "Yes."

**PLAN INFORMATION**

Abbreviated Plan Name:	Litho	
EIN:	94-6052228	
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	07/01/2018	07/01/2019						
Plan Year End Date	06/30/2019	06/30/2020						
Plan Year	Expected Benefit Payments							
2019	\$7,031,447	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2020	\$6,993,154	\$7,041,726	N/A	N/A	N/A	N/A	N/A	N/A
2021	\$7,052,826	\$7,145,324	N/A	N/A	N/A	N/A	N/A	N/A
2022	\$7,049,352	\$7,059,272	N/A	N/A	N/A	N/A	N/A	N/A
2023	\$7,172,897	\$7,092,552	N/A	N/A	N/A	N/A	N/A	N/A
2024	\$7,277,914	\$7,178,845	N/A	N/A	N/A	N/A	N/A	N/A
2025	\$7,352,632	\$7,221,786	N/A	N/A	N/A	N/A	N/A	N/A
2026	\$7,492,575	\$7,431,011	N/A	N/A	N/A	N/A	N/A	N/A
2027	\$7,658,876	\$7,614,652	N/A	N/A	N/A	N/A	N/A	N/A
2028	\$7,758,072	\$7,684,068	N/A	N/A	N/A	N/A	N/A	N/A
2029	N/A	\$7,629,113	N/A	N/A	N/A	N/A	N/A	N/A
2030	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2031	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2032	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2033	N/A	N/A	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	N/A
2035	N/A	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.



**TEMPLATE 4**  
**SFA Determination**

v20210706p

File name: *Template 4 Pension Plan Name*, where "Pension Plan Name" is an abbreviated version of the plan name.

For supplemental submission due to a merger under § 4262.4(f)(1)(ii): *Template 4 Pension Plan Name Merged*, where "Pension Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.

For supplemental submission due to certain events with limitations under § 4262.4(f)(1)(i): *Template 4 Pension Plan Name Supp*, where "Pension Plan Name" is an abbreviated version of the plan name.

**Instructions for Section C, Item 4 of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:**

Provide information used to determine the amount of requested SFA for the plan based on a deterministic projection and using the actuarial assumptions as described in § 4262.4 of PBGC's special financial assistance regulation. The information to be provided is:

**NOTE: All items below are provided on sheet '4-3 SFA Details' unless otherwise noted.**

- a. Interest rate used (the "SFA interest rate"), including supporting details on how it was determined. If such interest rate is the limit described in section 4262(e)(3) of ERISA, identify the month selected by the plan to determine the third segment rate used to calculate the limit. [*Sheet: 4-1 SFA Interest Rate*]
- b. Fair market value of assets on the last day of the calendar quarter immediately preceding the date the application is filed (the "SFA measurement date").
- c. For each plan year in the period beginning on the SFA measurement date and ending on the last day of the last plan year ending in 2051 (the "SFA coverage period"):
  - i. Separately identify the projected amount of contributions, projected withdrawal liability payments, and other payments expected to be made to the plan (excluding the amount of financial assistance under section 4261 of ERISA and SFA to be received by the plan).
  - ii. Separately identify benefit payments described in § 4262.4(b)(1) of PBGC's special assistance regulation (excluding the payments in (c)(iii) below) for current retirees and beneficiaries, terminated vested participants not currently receiving benefits, currently active participants and new entrants. [*Sheet: 4-2 SFA Ben Pmts*]
  - iii. Separately identify payments described in § 4262.4(b)(1) of PBGC's special financial assistance regulation attributable to the reinstatement of benefits under § 4262.15 that were previously suspended through the SFA measurement date. [Also see applicable examples in Section C, Item 4(c)(iii) of the SFA instructions.]
  - iv. Separately identify administrative expenses expected to be paid using plan assets, excluding the amount owed PBGC under section 4261 of ERISA.
- d. For each plan year in the SFA coverage period, the projected investment income based on the interest rate in (a) above, and the projected fair market value of plan assets at the end of each plan year.
- e. The present value (using the interest rate identified in (a) above) as of the SFA measurement date of each of the separately provided items in (c)(i)-(iv) above.
- f. SFA amount determined as a lump sum as of the SFA measurement date. As described in § 4262.4(a) of PBGC's special financial assistance regulation, this amount equals the excess (if any) of the SFA-eligible plan obligations (the present value of the items in (c)(ii) through (c)(iv)) over the SFA-eligible plan resources (item (b) plus the present value of the items in (c)(i)).



**Additional instructions for each individual worksheet:**

Sheet

**4-1 SFA Determination - SFA Interest Rate**

See instructions on 4-1 SFA Interest Rate.

**4-2 SFA Determination - SFA Benefit Payments**

On this sheet, you will provide:

- Basic plan information (plan name, EIN/PN, SFA measurement date, SFA interest rate),
- Year-by-year deterministic projection of benefit payments, and
- Present values as of the SFA measurement date, using the SFA interest rate.

For each plan year in the period beginning on the SFA measurement date and ending on the last day of the last plan year ending in 2051 (the "SFA coverage period"), separately identify benefit payments described in § 4262.4(b)(1) of PBGC's special assistance regulation for current retirees and beneficiaries, terminated vested participants not currently receiving benefits, currently active participants and new entrants. On this Sheet 4-2, show all benefit payments as positive amounts.

If the plan has suspended benefit payments under sections 305(e)(9) or 4245 of ERISA, the benefit payments in this Sheet 4-2 projection should reflect prospective reinstatement of benefits assuming such reinstatements commence as of the SFA measurement date. If the plan restored or partially restored benefits under 26 CFR 1.432(e)(9)-1(e)(3) before the SFA measurement date, the benefit payments in this Sheet 4-2 should reflect fully restored prospective benefits.

Benefit payments to be paid to participants to restore previously suspended benefits should not be included on this Sheet 4-2, and are separately shown on Sheet 4-3 in the Column (7). All reinstatement of benefits should be shown assuming such reinstatements are paid beginning as of the SFA measurement date (or on the SFA measurement date, for lump sum reinstatement of prior suspended benefits).

Provide the present value as of the SFA measurement date of each separate set of benefit payments, using the limited SFA interest rate from Sheet 4-1. On this sheet, show the present values as positive amounts.

Except for the first row in the projection exhibit below, each row must include the full plan year of the indicated information up to the plan year ending in 2051. This first row may be less than a full plan year of information. The first row in the projection period is for the period beginning on the SFA measurement date and ending on the last day of the plan year containing the SFA measurement date. For all other periods, provide the full plan year of information up to the plan year ending in 2051.

### 4-3 SFA Determination - SFA Details

On this sheet, you will provide:

--Basic plan information (plan name, EIN/PN, SFA measurement date, SFA interest rate),

--Year-by-year deterministic projection, and

--Present values as of the SFA measurement date, using the SFA interest rate.

For each plan year in the period beginning on the SFA measurement date and ending on the last day of the last plan year ending in 2051 (the "SFA coverage period"), provide each of the items requested in Columns (1) through (10). Show payments INTO the plan as positive amounts and payments OUT of the plan as negative amounts.

If the plan has suspended benefit payments under sections 305(e)(9) or 4245 of ERISA, Column (7) should show the benefit payments to be made to restore the past benefits that have been suspended. These amounts should be determined as if such reinstatements are paid beginning as of the SFA measurement date. If the plan sponsor elects to pay these amounts as a lump sum, then the lump sum amount is assumed paid as of the SFA measurement date. If the plan sponsor decides to make payments over 60 months, the first monthly payment is assumed paid on the first regular payment date on or after the SFA measurement date. See the examples in the SFA Instructions. If the reinstatement is paid over 60 months, each row in the projection should reflect the monthly payments for that period. The prospective reinstatement of suspended benefits is included in Column (6); Column (7) is only for reinstatement of past benefits that were suspended.

Provide the present values as of the SFA measurement date of each of the projections in Columns (3) through (8), using the limited SFA interest rate from Sheet 4-1. Show the present values as the same sign (positive or negative) as the projected amounts (e.g., benefit payments are negative on this Sheet 4-3, and the present value of benefit payments should also be negative).

Except for the first row in the projection exhibit, each row must include the full plan year of the indicated information up to the plan year ending in 2051. This first row may be less than a full plan year of information. The first row in the projection period is for the period beginning on the SFA measurement date and ending on the last day of the plan year containing the SFA measurement date. For all other periods, provide the full plan year of information up to the plan year ending in 2051.

**TEMPLATE 4 - Sheet 4-1**

v20210706p

**SFA Determination - Interest Rate**

Provide the SFA interest rate used, including supporting details on how it was determined.

**PLAN INFORMATION**

Abbreviated Plan Name:	Litho	
EIN:	94-6052228	
PN:	001	
Application Submission Date:		
SFA measurement date:	06/30/2021	Last day of the calendar quarter immediately preceding the application submission date.
Last day of first plan year ending after the measurement date:	06/30/2022	

SFA Interest Rate Used	3.00%
------------------------	-------

Input amount used in determination of SFA.

**Development of interest rate limit:**

Plan Interest Rate:	3.00%
Month used for interest rate ( <i>month in which application is filed or the 3 preceding months</i> ):	Jun-21
3rd Segment Rate as of applicable date ( <i>Section 303(h)(2)(C)(iii) - disregarding modifications made under clause (iv) of such section</i> ):	3.45%
Interest Rate Limit ( <i>3rd Segment rate plus 200 basis points</i> ):	5.45%

Interest rate used for the funding standard account projections in the plan's most recently completed certification of plan status before 1/1/2021.

Month is selected by the plan sponsor.

<https://www.irs.gov/retirement-plans/minimum-present-value-segment-rates>

This amount is calculated based on the other information entered.

SFA Interest Rate Calculation ( <i>Lesser of Plan Interest Rate and Interest Rate Limit</i> ):	3.00%
SFA Interest Rate Match Check:	Match

This amount is calculated based on the other information entered.

If the SFA Interest Rate Calculation is not equal to the SFA Interest Rate Used, provide explanation below.



**TEMPLATE 4 - Sheet 4-2**

v20210706p

**SFA Determination - Benefit Payments**

See Supplemental Instructions for Sheet 4-2 on Template 4 Instructions.

**PLAN INFORMATION**

Abbreviated Plan Name:	Litho
EIN:	94-6052228
PN:	001
SFA Measurement Date:	06/30/2021
SFA Interest Rate:	3%

On this Sheet 4-2, show all benefit payment amounts and present values as positive amounts.				
<b>PRESENT VALUE</b> as of the Measurement Date of Projected Benefit Payments for:				
Current Retirees and Beneficiaries in Pay Status	Current Terminated Vested Participants	Current Active Participants	New Entrants	Total
\$59,446,151	\$57,970,123	\$9,932,790	\$258,657	\$127,607,721

		<b>PROJECTED BENEFIT PAYMENTS</b> for:				
Plan Year Start Date	Plan Year End Date	Current Retirees and Beneficiaries in Pay Status	Current Terminated Vested Participants	Current Active Participants	New Entrants	Total
07/01/2021	06/30/2022	\$6,065,784	\$722,173	\$175,683	\$0	\$6,963,640
07/01/2022	06/30/2023	\$5,751,119	\$972,558	\$181,346	\$0	\$6,905,023
07/01/2023	06/30/2024	\$5,442,716	\$1,348,105	\$192,178	\$0	\$6,982,999
07/01/2024	06/30/2025	\$5,141,176	\$1,746,658	\$231,549	\$0	\$7,119,383
07/01/2025	06/30/2026	\$4,846,773	\$2,129,571	\$235,783	\$0	\$7,212,127
07/01/2026	06/30/2027	\$4,559,545	\$2,538,757	\$393,977	\$1,250	\$7,493,529
07/01/2027	06/30/2028	\$4,279,403	\$2,969,427	\$489,782	\$1,234	\$7,739,846
07/01/2028	06/30/2029	\$4,006,246	\$3,280,933	\$575,149	\$1,216	\$7,863,544
07/01/2029	06/30/2030	\$3,740,035	\$3,500,750	\$594,703	\$1,212	\$7,836,700
07/01/2030	06/30/2031	\$3,480,813	\$3,663,790	\$609,752	\$1,191	\$7,755,546
07/01/2031	06/30/2032	\$3,228,704	\$3,784,517	\$655,155	\$2,495	\$7,670,871
07/01/2032	06/30/2033	\$2,983,884	\$3,863,301	\$676,185	\$3,237	\$7,526,607
07/01/2033	06/30/2034	\$2,746,570	\$3,892,309	\$664,471	\$7,883	\$7,311,233
07/01/2034	06/30/2035	\$2,517,042	\$3,918,663	\$671,829	\$8,307	\$7,115,841
07/01/2035	06/30/2036	\$2,295,662	\$3,935,330	\$682,615	\$8,828	\$6,922,435
07/01/2036	06/30/2037	\$2,082,825	\$3,893,227	\$676,844	\$9,529	\$6,662,425
07/01/2037	06/30/2038	\$1,878,964	\$3,884,263	\$672,200	\$9,886	\$6,445,313
07/01/2038	06/30/2039	\$1,684,590	\$3,840,520	\$654,625	\$13,693	\$6,193,428
07/01/2039	06/30/2040	\$1,500,245	\$3,766,735	\$636,115	\$15,991	\$5,919,086
07/01/2040	06/30/2041	\$1,326,483	\$3,666,151	\$631,620	\$19,811	\$5,644,065
07/01/2041	06/30/2042	\$1,163,863	\$3,547,817	\$615,887	\$21,426	\$5,348,993
07/01/2042	06/30/2043	\$1,012,882	\$3,425,463	\$593,324	\$23,422	\$5,055,091
07/01/2043	06/30/2044	\$873,935	\$3,301,537	\$581,003	\$35,543	\$4,792,018
07/01/2044	06/30/2045	\$747,310	\$3,153,677	\$576,239	\$36,521	\$4,513,747
07/01/2045	06/30/2046	\$633,148	\$2,995,965	\$560,936	\$37,491	\$4,227,540
07/01/2046	06/30/2047	\$531,386	\$2,841,809	\$533,311	\$38,487	\$3,944,993
07/01/2047	06/30/2048	\$441,724	\$2,674,214	\$514,639	\$39,353	\$3,669,930
07/01/2048	06/30/2049	\$363,635	\$2,503,415	\$485,204	\$51,379	\$3,403,633
07/01/2049	06/30/2050	\$296,379	\$2,333,773	\$458,515	\$58,515	\$3,147,182
07/01/2050	06/30/2051	\$239,099	\$2,160,413	\$428,502	\$69,401	\$2,897,415

TEMPLATE 4 - Sheet 4-3

v20210706p

SFA Determination - Details

See Supplemental Instructions for Sheet 4-3 on Template 4 Instructions.

PLAN INFORMATION

Abbreviated Plan Name:	Litho
EIN:	94-6052228
PN:	001
SFA Measurement Date:	06/30/2021
SFA Interest Rate:	3%

PRESENT VALUE as of the SFA Measurement Date of Projected Amounts for:								
(1)	(2)	PV of (3)	PV of (4)	PV of (5)	PV of (6)	PV of (7)	PV of (8)	
Fair Market Value as of the SFA Measurement Date	SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments (should match total from Sheet 4-2)	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	(1)+(2)+Sum of PV of (3) through PV of (8) [NOTE: This amount should be \$0]
\$679,533	\$134,424,299	\$4,293,145	\$872,574	\$0	(\$127,607,721)	(\$152,708)	(\$12,509,122)	\$0

Show payments INTO the plan as positive, and payments OUT of the plan as negative, so that the sum of (1) through (9) equals (10).

Plan Year Start Date	Plan Year End Date	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Plan Year Start Date	Plan Year End Date	Fair Market Value of Assets at Beginning of Plan Year	SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments (should match total from Sheet 4-2)	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	Investment Income Based on SFA Interest Rate	Fair Market Value of Assets at End of Plan Year
07/01/2021	06/30/2022	\$679,533	\$134,424,299	\$263,869	\$87,812		\$-6,963,640	-\$152,708	-\$530,450	\$3,932,994	\$131,741,709
07/01/2022	06/30/2023	\$131,741,709		\$255,953	\$87,812		-\$6,905,023		-\$546,364	\$3,837,274	\$128,471,361
07/01/2023	06/30/2024	\$128,471,361		\$250,891	\$87,812		-\$6,982,999		-\$562,754	\$3,737,555	\$125,001,866
07/01/2024	06/30/2025	\$125,001,866		\$247,319	\$87,812		-\$7,119,383		-\$579,637	\$3,630,933	\$121,268,911
07/01/2025	06/30/2026	\$121,268,911		\$239,900	\$87,812		-\$7,212,127		-\$597,026	\$3,517,043	\$117,304,512
07/01/2026	06/30/2027	\$117,304,512		\$235,129	\$87,812		-\$7,493,529		-\$614,937	\$3,393,192	\$112,912,179
07/01/2027	06/30/2028	\$112,912,179		\$228,075	\$87,812		-\$7,739,846		-\$633,385	\$3,257,025	\$108,111,860
07/01/2028	06/30/2029	\$108,111,860		\$221,233	\$87,812		-\$7,863,544		-\$652,387	\$3,110,596	\$103,015,570
07/01/2029	06/30/2030	\$103,015,570		\$219,021	\$87,812		-\$7,836,700		-\$671,958	\$2,957,789	\$97,771,534
07/01/2030	06/30/2031	\$97,771,534		\$216,830	\$87,812		-\$7,755,546		-\$692,117	\$2,801,419	\$92,429,933
07/01/2031	06/30/2032	\$92,429,933		\$214,662	\$87,812		-\$7,670,871		-\$724,139	\$2,641,988	\$86,979,385
07/01/2032	06/30/2033	\$86,979,385		\$212,515	\$65,859		-\$7,526,607		-\$745,863	\$2,480,064	\$81,465,353
07/01/2033	06/30/2034	\$81,465,353		\$210,390	\$0		-\$7,311,233		-\$768,239	\$2,316,665	\$75,912,937
07/01/2034	06/30/2035	\$75,912,937		\$208,286	\$0		-\$7,115,841		-\$791,286	\$2,152,847	\$70,366,942
07/01/2035	06/30/2036	\$70,366,942		\$206,203	\$0		-\$6,922,435		-\$815,025	\$1,989,178	\$64,824,864
07/01/2036	06/30/2037	\$64,824,864		\$204,141	\$0		-\$6,662,425		-\$799,491	\$1,827,340	\$59,394,429
07/01/2037	06/30/2038	\$59,394,429		\$202,100	\$0		-\$6,445,313		-\$773,438	\$1,668,327	\$54,046,106
07/01/2038	06/30/2039	\$54,046,106		\$200,079	\$0		-\$6,193,428		-\$743,211	\$1,512,408	\$48,821,954
07/01/2039	06/30/2040	\$48,821,954		\$198,078	\$0		-\$5,919,086		-\$710,290	\$1,360,622	\$43,751,278
07/01/2040	06/30/2041	\$43,751,278		\$196,097	\$0		-\$5,644,065		-\$677,288	\$1,213,452	\$38,839,475
07/01/2041	06/30/2042	\$38,839,475		\$194,136	\$0		-\$5,348,993		-\$641,879	\$1,071,413	\$34,114,152
07/01/2042	06/30/2043	\$34,114,152		\$192,195	\$0		-\$5,055,091		-\$606,611	\$934,946	\$29,579,591
07/01/2043	06/30/2044	\$29,579,591		\$190,273	\$0		-\$4,792,018		-\$575,042	\$803,645	\$25,206,449
07/01/2044	06/30/2045	\$25,206,449		\$188,370	\$0		-\$4,513,747		-\$541,650	\$677,461	\$21,016,885
07/01/2045	06/30/2046	\$21,016,885		\$186,487	\$0		-\$4,227,540		-\$507,305	\$556,929	\$17,025,456
07/01/2046	06/30/2047	\$17,025,456		\$184,622	\$0		-\$3,944,993		-\$473,399	\$442,276	\$13,233,961
07/01/2047	06/30/2048	\$13,233,961		\$182,776	\$0		-\$3,669,930		-\$440,392	\$333,484	\$9,639,900
07/01/2048	06/30/2049	\$9,639,900		\$180,948	\$0		-\$3,403,633		-\$408,436	\$230,458	\$6,239,237
07/01/2049	06/30/2050	\$6,239,237		\$179,138	\$0		-\$3,147,182		-\$377,662	\$133,055	\$3,026,586
07/01/2050	06/30/2051	\$3,026,586		\$177,347	\$0		-\$2,897,415		-\$347,690	\$41,172	\$0

## TEMPLATE 5

v20210706p

### Baseline

File name: *Template 5 Pension Plan Name*, where "Pension Plan Name" is an abbreviated version of the plan name.

#### Instructions for Section C, Item 5 of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:

*This Template 5 is not required if all assumptions used (except the interest rate, Contribution Base Unit (CBU) assumption and administrative expenses assumption) to determine the requested SFA amount are identical to those used in the most recent actuarial certification of plan status completed before 1/1/2021 ("pre-2021 certification of plan status") and if the changed assumptions for CBUs and administrative expenses are consistent with Paragraph A "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's guidance on Special Financial Assistance Assumptions.*

Provide a separate deterministic projection ("Baseline") in the same format as Template 4 (Sheets 4-2 and 4-3 only) that shows the amount of SFA that would be determined if all underlying assumptions used in the projection were the same as those used in the pre-2021 certification of plan status, excluding the plan's interest rate which should be the same as used in Template 4 (see sheet 4-1) and excluding the CBU assumption and administrative expenses assumption which should reflect the changed assumptions consistent with Paragraph A "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's guidance on Special Financial Assistance Assumptions..

For purposes of this Template 5, any assumption change made in accordance with Section III, Acceptable Assumption Changes, of PBGC's guidance on Special Financial Assistance Assumptions should be reflected in this Baseline calculation of the SFA amount and supporting projection information. See examples in the SFA instructions for Section C, Item 5.

#### Additional instructions for each individual worksheet:

Sheet

##### **5-1 Baseline - Benefit Payments**

See Template 4 instructions for Sheet 4-2, except provide the benefit payment projection used to determine the Baseline SFA amount.

##### **5-2 Baseline - Details**

See Template 4 instructions for Sheet 4-3, except provide the projections and present value information used to determine the Baseline SFA amount.



**TEMPLATE 5 - Sheet 5-1**

v20210706p

**Baseline - Benefit Payments**

See Supplemental Instructions for Sheet 4-2 on Template 4 Instructions.

**PLAN INFORMATION**

Abbreviated Plan Name:	Litho
EIN:	94-6052228
PN:	001
SFA Measurement Date:	06/30/2021
SFA Interest Rate:	3%

On this Sheet 5-1, show all benefit payment amounts and present values as positive amounts.				
<b>PRESENT VALUE</b> as of the Measurement Date of Projected Benefit Payments for:				
Current Retirees and Beneficiaries in Pay Status	Current Terminated Vested Participants	Current Active Participants	New Entrants	Total
\$59,446,151	\$56,104,354	\$10,238,516	\$320,309	\$126,109,330

		<b>PROJECTED BENEFIT PAYMENTS</b> for:				
		Current Retirees and Beneficiaries in Pay Status	Current Terminated Vested Participants	Current Active Participants	New Entrants	Total
Plan Year Start Date	Plan Year End Date					
07/01/2021	06/30/2022	\$6,065,784	\$893,053	\$171,735	\$0	\$7,130,572
07/01/2022	06/30/2023	\$5,751,119	\$1,222,398	\$182,378	\$0	\$7,155,895
07/01/2023	06/30/2024	\$5,442,716	\$1,573,349	\$220,678	\$0	\$7,236,743
07/01/2024	06/30/2025	\$5,141,176	\$1,911,894	\$223,847	\$0	\$7,276,917
07/01/2025	06/30/2026	\$4,846,773	\$2,274,986	\$374,809	\$1,433	\$7,498,001
07/01/2026	06/30/2027	\$4,559,545	\$2,660,225	\$466,860	\$1,419	\$7,688,049
07/01/2027	06/30/2028	\$4,279,403	\$2,943,332	\$549,332	\$1,405	\$7,773,472
07/01/2028	06/30/2029	\$4,006,246	\$3,148,106	\$569,866	\$1,417	\$7,725,635
07/01/2029	06/30/2030	\$3,740,035	\$3,304,381	\$585,557	\$1,400	\$7,631,373
07/01/2030	06/30/2031	\$3,480,813	\$3,425,085	\$631,497	\$2,663	\$7,540,058
07/01/2031	06/30/2032	\$3,228,704	\$3,510,396	\$654,963	\$6,857	\$7,400,920
07/01/2032	06/30/2033	\$2,983,884	\$3,552,755	\$647,076	\$7,885	\$7,191,600
07/01/2033	06/30/2034	\$2,746,570	\$3,593,691	\$657,251	\$8,314	\$7,005,826
07/01/2034	06/30/2035	\$2,517,042	\$3,627,726	\$671,298	\$8,900	\$6,824,966
07/01/2035	06/30/2036	\$2,295,662	\$3,609,835	\$669,344	\$9,554	\$6,584,395
07/01/2036	06/30/2037	\$2,082,825	\$3,622,314	\$668,733	\$13,242	\$6,387,114
07/01/2037	06/30/2038	\$1,878,964	\$3,604,900	\$656,444	\$15,050	\$6,155,358
07/01/2038	06/30/2039	\$1,684,590	\$3,561,412	\$643,115	\$17,980	\$5,907,097
07/01/2039	06/30/2040	\$1,500,245	\$3,494,401	\$643,358	\$19,462	\$5,657,466
07/01/2040	06/30/2041	\$1,326,483	\$3,411,326	\$632,950	\$21,172	\$5,391,931
07/01/2041	06/30/2042	\$1,163,863	\$3,324,012	\$615,938	\$34,505	\$5,138,318
07/01/2042	06/30/2043	\$1,012,882	\$3,234,731	\$608,294	\$35,945	\$4,891,852
07/01/2043	06/30/2044	\$873,935	\$3,123,077	\$607,795	\$36,273	\$4,641,080
07/01/2044	06/30/2045	\$747,310	\$3,000,945	\$597,366	\$37,456	\$4,383,077
07/01/2045	06/30/2046	\$633,148	\$2,880,103	\$574,752	\$38,348	\$4,126,351
07/01/2046	06/30/2047	\$531,386	\$2,744,990	\$560,297	\$49,404	\$3,886,077
07/01/2047	06/30/2048	\$441,724	\$2,604,202	\$535,079	\$56,307	\$3,637,312
07/01/2048	06/30/2049	\$363,635	\$2,461,362	\$511,887	\$64,877	\$3,401,761
07/01/2049	06/30/2050	\$296,379	\$2,311,746	\$484,591	\$68,843	\$3,161,559
07/01/2050	06/30/2051	\$239,099	\$2,160,761	\$472,361	\$73,580	\$2,945,801

TEMPLATE 5 - Sheet 5-2

v20210706p

Baseline - Details

See Supplemental Instructions for Sheet 4-3 on Template 4 Instructions.

**PLAN INFORMATION**

Abbreviated Plan Name:	Litho	
EIN:	94-6052228	
PN:	001	
SFA Measurement Date:	06/30/2021	
SFA Interest Rate:	3%	

PRESENT VALUE as of the SFA Measurement Date of Projected Amounts for:								
(1)	(2)	PV of (3)	PV of (4)	PV of (5)	PV of (6)	PV of (7)	PV of (8)	
Fair Market Value as of the SFA Measurement Date	Baseline SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments (should match total from Sheet 4-2)	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	(1)+(2)+Sum of PV of (3) through PV of (8) [NOTE: This amount should be \$0]
\$679,533	\$132,814,815	\$4,241,204	\$872,574	\$0	(\$126,109,330)	(\$152,708)	(\$12,346,088)	(\$0)

Show payments INTO the plan as positive, and payments OUT of the plan as negative, so that the sum of (1) through (9) equals (10).

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Plan Year Start Date	Plan Year End Date	Fair Market Value of Assets at Beginning of Plan Year	Baseline SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments (should match total from Sheet 4-2)	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	Investment Income Based on SFA Interest Rate	Fair Market Value of Assets at End of Plan Year
07/01/2021	06/30/2022	\$679,533	\$132,814,815	\$261,665	\$87,812		-\$7,130,572	-\$152,708	-\$530,450	\$3,881,973	\$129,912,068
07/01/2022	06/30/2023	\$129,912,068		\$255,837	\$87,812		-\$7,155,895		-\$546,364	\$3,778,325	\$126,331,784
07/01/2023	06/30/2024	\$126,331,784		\$251,587	\$87,812		-\$7,236,743		-\$562,754	\$3,669,274	\$122,540,959
07/01/2024	06/30/2025	\$122,540,959		\$244,039	\$87,812		-\$7,276,917		-\$579,637	\$3,554,505	\$118,570,761
07/01/2025	06/30/2026	\$118,570,761		\$238,799	\$87,812		-\$7,498,001		-\$597,026	\$3,431,456	\$114,233,801
07/01/2026	06/30/2027	\$114,233,801		\$231,635	\$87,812		-\$7,688,049		-\$614,937	\$3,297,867	\$109,548,129
07/01/2027	06/30/2028	\$109,548,129		\$224,686	\$87,812		-\$7,773,472		-\$633,385	\$3,155,505	\$104,609,274
07/01/2028	06/30/2029	\$104,609,274		\$217,945	\$87,812		-\$7,725,635		-\$652,387	\$3,007,696	\$99,544,706
07/01/2029	06/30/2030	\$99,544,706		\$215,766	\$87,812		-\$7,631,373		-\$671,958	\$2,856,932	\$94,401,885
07/01/2030	06/30/2031	\$94,401,885		\$213,608	\$87,812		-\$7,540,058		-\$692,117	\$2,703,764	\$89,174,894
07/01/2031	06/30/2032	\$89,174,894		\$211,472	\$87,812		-\$7,400,920		-\$724,325	\$2,548,649	\$83,897,582
07/01/2032	06/30/2033	\$83,897,582		\$209,357	\$65,859		-\$7,191,600		-\$746,055	\$2,392,975	\$78,628,119
07/01/2033	06/30/2034	\$78,628,119		\$207,264	\$0		-\$7,005,826		-\$768,437	\$2,236,435	\$73,297,555
07/01/2034	06/30/2035	\$73,297,555		\$205,191	\$0		-\$6,824,966		-\$791,490	\$2,079,037	\$67,965,328
07/01/2035	06/30/2036	\$67,965,328		\$203,139	\$0		-\$6,584,395		-\$790,127	\$1,922,951	\$62,716,896
07/01/2036	06/30/2037	\$62,716,896		\$201,108	\$0		-\$6,387,114		-\$766,454	\$1,769,040	\$57,533,475
07/01/2037	06/30/2038	\$57,533,475		\$199,097	\$0		-\$6,155,358		-\$738,643	\$1,617,703	\$52,456,275
07/01/2038	06/30/2039	\$52,456,275		\$197,106	\$0		-\$5,907,097		-\$708,852	\$1,469,853	\$47,507,285
07/01/2039	06/30/2040	\$47,507,285		\$195,135	\$0		-\$5,657,466		-\$678,896	\$1,325,874	\$42,691,932
07/01/2040	06/30/2041	\$42,691,932		\$193,183	\$0		-\$5,391,931		-\$647,032	\$1,186,193	\$38,032,346
07/01/2041	06/30/2042	\$38,032,346		\$191,252	\$0		-\$5,138,318		-\$616,598	\$1,050,969	\$33,519,650
07/01/2042	06/30/2043	\$33,519,650		\$189,339	\$0		-\$4,891,852		-\$587,022	\$920,023	\$29,150,138
07/01/2043	06/30/2044	\$29,150,138		\$187,446	\$0		-\$4,641,080		-\$556,930	\$793,450	\$24,933,024
07/01/2044	06/30/2045	\$24,933,024		\$185,571	\$0		-\$4,383,077		-\$525,969	\$671,581	\$20,881,130
07/01/2045	06/30/2046	\$20,881,130		\$183,715	\$0		-\$4,126,351		-\$495,162	\$554,645	\$16,997,977
07/01/2046	06/30/2047	\$16,997,977		\$181,878	\$0		-\$3,886,077		-\$466,329	\$442,474	\$13,269,924
07/01/2047	06/30/2048	\$13,269,924		\$180,060	\$0		-\$3,637,312		-\$436,477	\$335,110	\$9,711,304
07/01/2048	06/30/2049	\$9,711,304		\$178,259	\$0		-\$3,401,761		-\$408,211	\$232,590	\$6,312,181
07/01/2049	06/30/2050	\$6,312,181		\$176,476	\$0		-\$3,161,559		-\$379,387	\$134,940	\$3,082,651
07/01/2050	06/30/2051	\$3,082,651		\$174,712	\$0		-\$2,945,801		-\$353,496	\$41,934	\$0

## TEMPLATE 6

### Reconciliation

v20210706p

File name: *Template 6 Pension Plan Name*, where "Pension Plan Name" is an abbreviated version of the plan name.

#### Instructions for Section C, Item 6 of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:

*This Template 6 is not required if all assumptions used (except the interest rate, CBU assumption and administrative expenses assumption) to determine the requested SFA amount are identical to those used in the pre-2021 certification of plan status and if the changed assumptions for CBUs and administrative expenses are consistent with Paragraph A "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's guidance on Special Financial Assistance Assumptions.*

*This Template 6 is also not required if the requested SFA amount from Template 4 is the same as the SFA amount shown in Template 5 (Baseline).*

If the assumptions used to determine the requested SFA amount differ from those in the "Baseline" projection in Template 5, then provide a reconciliation of the change in the total amount of requested SFA due to each change in assumption from the Baseline to the requested SFA as shown in Template 4.

For each assumption change from the Baseline through the requested SFA amount, provide a deterministic projection in the same format as Template 4.

#### Additional instructions for each individual worksheet:

Sheet

##### 6-1 Reconciliation

For Item 1, show the SFA amount shown in Template 5 using the "Baseline" assumptions and methods. If there is only one change in assumptions/methods between the Baseline (Template 5) and the requested SFA amount (Template 4), then show on Item 2 the requested SFA amount, and briefly identify the change in assumptions from the Baseline.

If there is more than one change in assumptions/methods from the Baseline, show each individual change as a separate item number. Each item number should reflect all changes already measured in the prior item number. For example, the difference between the SFA amount shown for Item 4 and Item 5 should be the incremental change due to changing the identified single assumption/method. The Item numbers should show assumption/method changes in the order that they were incrementally measured.

##### 6-2 Reconciliation Details

For Reconciliation Details sheets, see Template 4 instructions for Sheet 4-3, except provide the projections and present value information used to determine each Item number from the Reconciliation in Sheet 6-1.

A Reconciliation Details sheet is not needed for the last Item shown in the Reconciliation, since the information should be the same as shown in Template 4. For example, if there is only one assumption change from the Baseline, then Item 2 should identify what assumption changed between the Baseline and Item 2 where Item 2 is the requested SFA amount. Since details on the determination of the requested SFA amount are shown in Template 4, a separate Sheet 6-2 Reconciliation Details is not required here.

##### 6-3 Reconciliation Details

See instructions for 6-2 Reconciliation Details.

##### 6-4 Reconciliation Details

See instructions for 6-2 Reconciliation Details.

##### 6-5 Reconciliation Details

See instructions for 6-2 Reconciliation Details.

**TEMPLATE 6 - Sheet 6-1**

v20210706p

**Reconciliation - Summary**

For Item 1, show the SFA amount determined in Template 5 using the "Baseline" assumptions and methods. If there is only one change in assumptions/methods between the Baseline (Template 5) and the requested SFA amount (Template 4), then show on Item 2 the requested SFA amount, and briefly identify the change in assumptions from the Baseline.

If there is more than one change in assumptions/methods from the Baseline, show each individual change as a separate item number. Each item number should reflect all changes already measured in the prior item number. For example, the difference between the SFA amount shown for Item 4 and Item 5 should be the incremental change due to changing the identified single assumption/method. The Item numbers should show assumption/method changes in the order that they were incrementally measured.

**PLAN INFORMATION**

Abbreviated Plan Name:	Litho
EIN:	94-6052228
PN:	001

Item number	Basis for Assumptions/Methods. For each Item, briefly describe the incremental change reflected in the SFA amount.	Change in SFA Amount (from prior Item number)	SFA Amount
1	Baseline	N/A	\$132,814,815
2	Form of Payment Changed	(\$234,741)	\$132,580,074
3	Commencement Age Changed	\$1,844,225	\$134,424,299
4		\$0	
5		\$0	

NOTE: A sheet with Recon Details is not required for the last item number provided, since this information should be the same as provided in Template 4.

From Template 5.

Show details supporting the SFA amount on Sheet 6-2.

Show details supporting the SFA amount on Sheet 6-3.

Show details supporting the SFA amount on Sheet 6-4.

Show details supporting the SFA amount on Sheet 6-5.

Create additional rows as needed, and create additional detailed sheets by copying Sheet 6-5 and relabeling the header and the sheet name to be 6-6, 6-7, etc.

TEMPLATE 6 - Sheet 6-2  
Reconciliation - Details

Item Description (From 6-1):	Form of Payment Changed
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▼20210706p

See Supplemental Instructions for Sheet 4-3 on Template 4 Instructions.

PLAN INFORMATION

Abbreviated Plan Name:	Litho	
EIN:	94-6052228	
PN:	001	
SFA Measurement Date:	06/30/2021	
SFA Interest Rate:	3%	

PRESENT VALUE as of the SFA Measurement Date of Projected Amounts for:								
(1)	(2)	PV of (3)	PV of (4)	PV of (5)	PV of (6)	PV of (7)	PV of (8)	
Fair Market Value as of the SFA Measurement Date	SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments (should match total from Sheet 4-2)	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	(1)+(2)+Sum of PV of (3) through PV of (8) [NOTE: This amount should be \$0]
\$679,533	\$132,580,074	\$4,241,204	\$872,574	\$0	(\$125,995,813)	(\$152,708)	(\$12,224,865)	\$0

Show payments INTO the plan as positive, and payments OUT of the plan as negative, so that the sum of (1) through (9) equals (10).

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		
Plan Year Start Date	Plan Year End Date	Fair Market Value of Assets at Beginning of Plan Year	SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments (should match total from Sheet 4-2)	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	Investment Income Based on SFA Interest Rate	Fair Market Value of Assets at End of Plan Year
07/01/2021	06/30/2022	\$679,533	\$132,580,074	\$261,665	\$87,812		-\$7,175,434	-\$152,708	-\$530,450	\$3,874,205	\$129,624,697
07/01/2022	06/30/2023	\$129,624,697		\$255,837	\$87,812		-\$7,212,192		-\$546,364	\$3,768,793	\$125,978,584
07/01/2023	06/30/2024	\$125,978,584		\$251,587	\$87,812		-\$7,305,460		-\$562,754	\$3,657,567	\$122,107,335
07/01/2024	06/30/2025	\$122,107,335		\$244,039	\$87,812		-\$7,354,499		-\$579,637	\$3,540,241	\$118,045,291
07/01/2025	06/30/2026	\$118,045,291		\$238,799	\$87,812		-\$7,590,908		-\$597,026	\$3,414,189	\$113,598,157
07/01/2026	06/30/2027	\$113,598,157		\$231,635	\$87,812		-\$7,792,668		-\$614,937	\$3,277,106	\$108,787,104
07/01/2027	06/30/2028	\$108,787,104		\$224,686	\$87,812		-\$7,882,996		-\$633,385	\$3,130,902	\$103,714,123
07/01/2028	06/30/2029	\$103,714,123		\$217,945	\$87,812		-\$7,832,260		-\$652,387	\$2,979,117	\$98,514,351
07/01/2029	06/30/2030	\$98,514,351		\$215,766	\$87,812		-\$7,731,578		-\$671,958	\$2,824,401	\$93,238,793
07/01/2030	06/30/2031	\$93,238,793		\$213,608	\$87,812		-\$7,632,654		-\$692,117	\$2,667,373	\$87,882,815
07/01/2031	06/30/2032	\$87,882,815		\$211,472	\$87,812		-\$7,482,467		-\$724,160	\$2,508,570	\$82,484,043
07/01/2032	06/30/2033	\$82,484,043		\$209,357	\$65,859		-\$7,257,813		-\$745,885	\$2,349,501	\$77,105,062
07/01/2033	06/30/2034	\$77,105,062		\$207,264	\$0		-\$7,056,840		-\$768,261	\$2,189,921	\$71,677,146
07/01/2034	06/30/2035	\$71,677,146		\$205,191	\$0		-\$6,860,076		-\$791,309	\$2,029,860	\$66,260,812
07/01/2035	06/30/2036	\$66,260,812		\$203,139	\$0		-\$6,600,076		-\$792,009	\$1,871,532	\$60,943,398
07/01/2036	06/30/2037	\$60,943,398		\$201,108	\$0		-\$6,384,672		-\$766,161	\$1,715,879	\$55,709,552
07/01/2037	06/30/2038	\$55,709,552		\$199,097	\$0		-\$6,132,625		-\$735,915	\$1,563,398	\$50,603,506
07/01/2038	06/30/2039	\$50,603,506		\$197,106	\$0		-\$5,862,929		-\$703,551	\$1,415,070	\$45,649,202
07/01/2039	06/30/2040	\$45,649,202		\$195,135	\$0		-\$5,591,596		-\$670,992	\$1,271,325	\$40,853,074
07/01/2040	06/30/2041	\$40,853,074		\$193,183	\$0		-\$5,303,642		-\$636,437	\$1,132,627	\$36,238,805
07/01/2041	06/30/2042	\$36,238,805		\$191,252	\$0		-\$5,028,405		-\$603,409	\$999,154	\$31,797,397
07/01/2042	06/30/2043	\$31,797,397		\$189,339	\$0		-\$4,761,116		-\$571,334	\$870,724	\$27,525,010
07/01/2043	06/30/2044	\$27,525,010		\$187,446	\$0		-\$4,490,080		-\$538,810	\$747,432	\$23,430,998
07/01/2044	06/30/2045	\$23,430,998		\$185,571	\$0		-\$4,212,546		-\$505,506	\$629,610	\$19,528,128
07/01/2045	06/30/2046	\$19,528,128		\$183,715	\$0		-\$3,937,733		-\$472,528	\$517,473	\$15,819,055
07/01/2046	06/30/2047	\$15,819,055		\$181,878	\$0		-\$3,681,817		-\$441,818	\$410,807	\$12,288,106
07/01/2047	06/30/2048	\$12,288,106		\$180,060	\$0		-\$3,419,009		-\$410,281	\$309,611	\$8,948,486
07/01/2048	06/30/2049	\$8,948,486		\$178,259	\$0		-\$3,172,288		-\$380,675	\$213,863	\$5,787,646
07/01/2049	06/30/2050	\$5,787,646		\$176,476	\$0		-\$2,923,209		-\$350,785	\$123,522	\$2,813,650
07/01/2050	06/30/2051	\$2,813,650		\$174,712	\$0		-\$2,702,355		-\$324,283	\$38,275	\$0

TEMPLATE 6 - Sheet 6-3

Item Description (From 6-1): Commencement Age Changed

v20210706p

Reconciliation - Details

See Supplemental Instructions for Sheet 4-3 on Template 4 Instructions.

PLAN INFORMATION

Abbreviated Plan Name:	Litho	
EIN:	94-6052228	
PN:	001	
SFA Measurement Date:	06/30/2021	
SFA Interest Rate:	3%	

PRESENT VALUE as of the SFA Measurement Date of Projected Amounts for:								
(1)	(2)	PV of (3)	PV of (4)	PV of (5)	PV of (6)	PV of (7)	PV of (8)	
Fair Market Value as of the SFA Measurement Date	SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments (should match total from Sheet 4-2)	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	(1)+(2)+Sum of PV of (3) through PV of (8) [NOTE: This amount should be \$0]
\$679,533	\$134,424,299	\$4,293,145	\$872,574	\$0	(\$127,607,721)	(\$152,708)	(\$12,509,122)	\$0

Show payments INTO the plan as positive, and payments OUT of the plan as negative, so that the sum of (1) through (9) equals (10).

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		
Plan Year Start Date	Plan Year End Date	Fair Market Value of Assets at Beginning of Plan Year	SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments (should match total from Sheet 4-2)	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	Investment Income Based on SFA Interest Rate	Fair Market Value of Assets at End of Plan Year
07/01/2021	06/30/2022	\$679,533	\$134,424,299	\$263,869	\$87,812	\$263,869	-\$6,963,640	-\$152,708	-\$530,450	\$3,932,994	\$131,741,709
07/01/2022	06/30/2023	\$131,741,709		\$255,953	\$87,812	\$255,953	-\$6,905,023		-\$546,364	\$3,837,274	\$128,471,361
07/01/2023	06/30/2024	\$128,471,361		\$250,891	\$87,812	\$250,891	-\$6,982,999		-\$562,754	\$3,737,555	\$125,001,866
07/01/2024	06/30/2025	\$125,001,866		\$247,319	\$87,812	\$247,319	-\$7,119,383		-\$579,637	\$3,630,933	\$121,268,911
07/01/2025	06/30/2026	\$121,268,911		\$239,900	\$87,812	\$239,900	-\$7,212,127		-\$597,026	\$3,517,043	\$117,304,512
07/01/2026	06/30/2027	\$117,304,512		\$235,129	\$87,812	\$235,129	-\$7,493,529		-\$614,937	\$3,393,192	\$112,912,179
07/01/2027	06/30/2028	\$112,912,179		\$228,075	\$87,812	\$228,075	-\$7,739,846		-\$633,385	\$3,257,025	\$108,111,860
07/01/2028	06/30/2029	\$108,111,860		\$221,233	\$87,812	\$221,233	-\$7,863,544		-\$652,387	\$3,110,596	\$103,015,570
07/01/2029	06/30/2030	\$103,015,570		\$219,021	\$87,812	\$219,021	-\$7,836,700		-\$671,958	\$2,957,789	\$97,771,534
07/01/2030	06/30/2031	\$97,771,534		\$216,830	\$87,812	\$216,830	-\$7,755,546		-\$692,117	\$2,801,419	\$92,429,933
07/01/2031	06/30/2032	\$92,429,933		\$214,662	\$87,812	\$214,662	-\$7,670,871		-\$724,139	\$2,641,988	\$86,979,385
07/01/2032	06/30/2033	\$86,979,385		\$212,515	\$87,812	\$212,515	-\$7,526,607		-\$745,863	\$2,480,064	\$81,465,353
07/01/2033	06/30/2034	\$81,465,353		\$210,390	\$0	\$210,390	-\$7,311,233		-\$768,239	\$2,316,665	\$75,912,937
07/01/2034	06/30/2035	\$75,912,937		\$208,286	\$0	\$208,286	-\$7,115,841		-\$791,286	\$2,152,847	\$70,366,942
07/01/2035	06/30/2036	\$70,366,942		\$206,203	\$0	\$206,203	-\$6,922,435		-\$815,025	\$1,989,178	\$64,824,864
07/01/2036	06/30/2037	\$64,824,864		\$204,141	\$0	\$204,141	-\$6,662,425		-\$799,491	\$1,827,340	\$59,394,429
07/01/2037	06/30/2038	\$59,394,429		\$202,100	\$0	\$202,100	-\$6,445,313		-\$773,438	\$1,668,327	\$54,046,106
07/01/2038	06/30/2039	\$54,046,106		\$200,079	\$0	\$200,079	-\$6,193,428		-\$743,211	\$1,512,408	\$48,821,954
07/01/2039	06/30/2040	\$48,821,954		\$198,078	\$0	\$198,078	-\$5,919,086		-\$710,290	\$1,360,622	\$43,751,278
07/01/2040	06/30/2041	\$43,751,278		\$196,097	\$0	\$196,097	-\$5,644,065		-\$677,288	\$1,213,452	\$38,839,475
07/01/2041	06/30/2042	\$38,839,475		\$194,136	\$0	\$194,136	-\$5,348,993		-\$641,879	\$1,071,413	\$34,114,152
07/01/2042	06/30/2043	\$34,114,152		\$192,195	\$0	\$192,195	-\$5,055,091		-\$606,611	\$934,946	\$29,579,591
07/01/2043	06/30/2044	\$29,579,591		\$190,273	\$0	\$190,273	-\$4,792,018		-\$575,042	\$803,645	\$25,206,449
07/01/2044	06/30/2045	\$25,206,449		\$188,370	\$0	\$188,370	-\$4,513,747		-\$541,650	\$677,461	\$21,016,885
07/01/2045	06/30/2046	\$21,016,885		\$186,487	\$0	\$186,487	-\$4,227,540		-\$507,305	\$556,929	\$17,025,456
07/01/2046	06/30/2047	\$17,025,456		\$184,622	\$0	\$184,622	-\$3,944,993		-\$473,399	\$442,276	\$13,233,961
07/01/2047	06/30/2048	\$13,233,961		\$182,776	\$0	\$182,776	-\$3,669,930		-\$440,392	\$333,484	\$9,639,900
07/01/2048	06/30/2049	\$9,639,900		\$180,948	\$0	\$180,948	-\$3,403,633		-\$408,436	\$230,458	\$6,239,237
07/01/2049	06/30/2050	\$6,239,237		\$179,138	\$0	\$179,138	-\$3,147,182		-\$377,662	\$133,055	\$3,026,586
07/01/2050	06/30/2051	\$3,026,586		\$177,347	\$0	\$177,347	-\$2,897,415		-\$347,690	\$41,172	\$0

**TEMPLATE 6 - Sheet 6-4**  
**Reconciliation - Details**

Item Description (From 6-1):

v20210706p

See Supplemental Instructions for Sheet 4-3 on Template 4 Instructions.

**PLAN INFORMATION**

Abbreviated Plan Name:	<span style="border: 1px solid black; display: inline-block; width: 250px; height: 15px;"></span>
EIN:	<span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span>
PN:	<span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span>
SFA Measurement Date:	<span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span>
SFA Interest Rate:	<span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span>

PRESENT VALUE as of the SFA Measurement Date of Projected Amounts for:								
(1)	(2)	PV of (3)	PV of (4)	PV of (5)	PV of (6)	PV of (7)	PV of (8)	
Fair Market Value as of the SFA Measurement Date	SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments (should match total from Sheet 4-2)	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	(1)+(2)+Sum of PV of (3) through PV of (8) [NOTE: This amount should be \$0]

Show payments INTO the plan as positive, and payments OUT of the plan as negative, so that the sum of (1) through (9) equals (10).

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		
Plan Year Start Date	Plan Year End Date	Fair Market Value of Assets at Beginning of Plan Year	SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments (should match total from Sheet 4-2)	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	Investment Income Based on SFA Interest Rate	Fair Market Value of Assets at End of Plan Year

**TEMPLATE 6 - Sheet 6-5**  
**Reconciliation - Details**

Item Description (From 6-1):

v20210706p

See Supplemental Instructions for Sheet 4-3 on Template 4 Instructions.

**PLAN INFORMATION**

Abbreviated Plan Name:	
EIN:	
PN:	
SFA Measurement Date:	
SFA Interest Rate:	

PRESENT VALUE as of the SFA Measurement Date of Projected Amounts for:								
(1)	(2)	PV of (3)	PV of (4)	PV of (5)	PV of (6)	PV of (7)	PV of (8)	
Fair Market Value as of the SFA Measurement Date	SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments (should match total from Sheet 4-2)	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	(1)+(2)+Sum of PV of (3) through PV of (8) [NOTE: This amount should be \$0]

Show payments INTO the plan as positive, and payments OUT of the plan as negative, so that the sum of (1) through (9) equals (10).

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		
Plan Year Start Date	Plan Year End Date	Fair Market Value of Assets at Beginning of Plan Year	SFA Amount as of the SFA Measurement Date	Contributions	Withdrawal Liability Payments	Other Payments to Plan (excluding financial assistance and SFA)	Benefit Payments (should match total from Sheet 4-2)	Benefit Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	Investment Income Based on SFA Interest Rate	Fair Market Value of Assets at End of Plan Year



## TEMPLATE 7

v20210706p

### 7a - Assumption Changes for SFA Eligibility

File name: *Template 7 Pension Plan Name*, where "Pension Plan Name" is an abbreviated version of the plan name.

Instructions for Section C, Item 7(a) of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:

*Sheet 7a of Template 7 is not required if the plan is eligible for SFA under § 4262.3(a)(2) (MPRA suspensions) or § 4262.3(a)(4) (certain insolvent plans) of PBGC's special financial assistance regulation.*

*Sheet 7a of Template 7 is not required if the plan is eligible based on a certification of plan status completed before January 1, 2021.*

*Sheet 7a of Template 7 is not required if the plan is eligible based on a certification of plan status completed after December 31, 2020 but reflects the same assumptions as those in the pre-2021 certification of plan status.*

Provide a table identifying which assumptions used in determining the plan's eligibility for SFA differ from those used in the pre-2021 certification of plan status and brief explanations as to why using those assumptions is no longer reasonable and why the changed assumptions are reasonable.

This table should reflect all identified assumptions (including those that are included in the Baseline provided in Template 5) and should be an abbreviated version of information provided in Section D, Item 6(a) of the SFA filing instructions.

For example, if the mortality assumption used in the pre-2021 certification of plan status is the RP-2000 mortality table, and the plan proposes to change to the Pri-2012(BC) table, complete one line of the table as follows:

	(A)	(B)	(C)
Assumption That Has Changed From Assumption Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021	Brief description of assumption used in the most recent certification of plan status completed prior to 1/1/2021	Brief description of assumption used in showing the plan's eligibility for SFA (if different).	Brief explanation on why the assumption in (A) is no longer reasonable and why the assumption in (B) is reasonable.
Base Mortality Assumption	RP-2000 mortality table	Pri-2012(BC) mortality table	Prior assumption is outdated. New assumption reflects more recently published experience for blue collar workers.

Add one line for each assumption that has changed from the assumption used in the most recent certification of plan status completed prior to 1/1/2021.

Since this Template 7a is intended as an abbreviated version of more detailed information provided in Section D, Item 6(a) of the SFA filing instructions, it is not necessary to include full tables of rates at every age (e.g., for retirement, turnover, etc.). Instead, a high level description that focuses on what aspect of the assumption has changed is preferred.



## TEMPLATE 7

v20210706p

### 7b - Assumption Changes for SFA Amount

File name: *Template 7 Pension Plan Name*, where "Pension Plan Name" is an abbreviated version of the plan name.

#### Instructions for Section C, Item 7(b) of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:

Provide a table identifying which assumption differ from those used in the pre-2021 certification of plan status (except the interest rate used in calculating the amount of SFA) and brief explanations as to why using those original assumptions is no longer reasonable and why the changed assumptions are reasonable.

Please state if the changed assumption is an extension of the CBU assumption or the administrative expenses assumption as described in Paragraph A "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's guidance on Special Financial Assistance Assumptions.

This table should identify all changed assumptions except for the interest rate (reflecting those that are included in the Baseline provided in Template 5) and should be an abbreviated version of information provided in Section D, Item 6(b) of the SFA filing instructions.

For example, if the mortality assumption used in the pre-2021 certification of plan status is the RP-2000 mortality table, and the plan proposes to change to the Pri-2012(BC) table, complete one line of the table as follows:

	(A)	(B)	(C)
Assumption That Has Changed From Assumption Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021	Brief description of assumption used in the most recent certification of plan status completed prior to 1/1/2021	Brief description of assumption used to determine the requested SFA amount (if different)	Brief explanation on why the assumption in (A) is no longer reasonable and why the assumption in (B) is reasonable.
Base Mortality Assumption	RP-2000 mortality table	Pri-2012(BC) mortality table	Original assumption is outdated. New assumption reflects more recently published experience for blue collar workers.

For example, assume the plan is projected to be insolvent in 2029 in the pre-2021 certification of plan status. The plan changes its CBU assumption by extending the assumption to the later projection years as described in Paragraph A, "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's guidance on Special Financial Assistance Assumptions. Complete one line of the table as follows:

	(A)	(B)	(C)
Assumption That Has Changed From Assumption Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021	Brief description of assumption used in the most recent certification of plan status completed prior to 1/1/2021	Brief description of assumption used to determine the requested SFA amount (if different)	Brief explanation on why the assumption in (A) is no longer reasonable and why the assumption in (B) is reasonable.
CBU Assumption	Decrease from most recent plan year's actual number of CBUs by 2% per year to 2028	Same number of CBUs for each projection year to 2028 as shown in (A), then constant CBUs for all years after 2028.	Original assumption does not address years after original projected insolvency in 2029. Proposed assumption uses acceptable extension methodology.

Add one line for each assumption that has changed from the assumption used in the most recent certification of plan status completed prior to 1/1/2021.

Since this Template 7b is intended as an abbreviated version of more detailed information provided in Section D, Item 6(b) of the SFA filing instructions, it is not necessary to include full tables of rates at every age (e.g., for retirement, turnover, etc.). Instead, a high level description that focuses on what aspect of the assumption has changed is preferred.

**Template 7 - Sheet 7b**

**Assumption Changes - SFA Amount**

**PLAN INFORMATION**

Abbreviated Plan Name:	Litho	
EIN:	94-6052228	
PN:	001	

	A	B	C
Assumption That Has Changed From Assumption Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021	Brief description of assumption used in the most recent certification of plan status completed prior to 1/1/2021	Brief description of assumption used to determine the requested SFA amount (if different)	Brief explanation on why the assumption in (A) is no longer reasonable and why the assumption in (B) is reasonable.
Administrative Expense	\$500,000 for 2019, payable throughout the year, increasing 3% per year	Same, except continuing beyond the zone certification period, adjusted for anticipated increase to the PBGC premium in 2031.	Extension of administrative expense assumption
Form of Payment	Married participants (assume 70%) are assumed to elect 75% J&S. Single participants are assumed to elect Life.	40% of all participants are assumed to elect 75% J&S. 60% of all participants are assumed to elect life.	Experience over last 5 years. See Assumptions Litho.PDF
Age at Commencement	Age 65	Age 66	Experience over last 5 years. See Assumptions Litho.PDF
CBUs	For contribution purposes, CBUs were assumed to increase 3% per year. For normal cost and benefit payment purposes, wages for any participant were assumed to increase at 3% per year, but starting wages for replacement participants were assumed to increase 1% per year.	CBUs are assumed to decrease up to 3% per year from those in the 2018/2019 plan year, through the 2028/2029 plan year, and 1% thereafter. For any participant, wages are assumed to increase 3% per year. To the extent that the expected decrements do not result in the 3%/1% reduction in CBUs, the reduction is less than 3%.	Experience over last 10 years (2009/2010 plan year through 2018/2019 plan year). See Assumptions Litho.PDF

**TEMPLATE 8**

File name: *Template 8 Pension Plan Name* , where "Pension Plan Name" is an abbreviated version of the plan name.

v20210706p

**Contribution and Withdrawal Liability Details**

Provide details of the projected contributions and withdrawal liability payments used to calculate the requested SFA amount. This should include total contributions, contribution base units (including identification of the base unit used (i.e., hourly, weekly)), average contribution rate(s), reciprocity contributions (if applicable), additional contributions from the rehabilitation plan (if applicable), and any other identifiable contribution streams. For withdrawal liability, separately show amounts for currently withdrawn employers and for future assumed withdrawals. Also provide the projected number of active participants at the beginning of each plan year.

The first row in the projection period is for the period beginning on the SFA measurement date and ending on the last day of the plan year containing the SFA measurement date. For all other periods, provide the full plan year of information up to the plan year ending in 2051.

**PLAN INFORMATION**

Abbreviated Plan Name:	Litho
EIN:	94-6052228
PN:	001

Unit (e.g. hourly, weekly)	% of wages
----------------------------	------------

All Other Sources of Non-Investment Income

Plan Year Start Date	Plan Year End Date	Total Contributions*	Total Contribution Base Units	Average Contribution Rate	Reciprocity Contributions (if applicable)	Additional Rehab Plan Contributions (if applicable)	Other - Explain if Applicable	Withdrawal Liability Payments for Currently Withdrawn Employers	Withdrawal Liability Payments for Projected Future Withdrawals	Projected Number of Active Participants (Including New Entrants) at the Beginning of the Plan Year
07/01/2021	06/30/2022	\$263,869	2,597,136	10.16%				\$87,812	\$0	47
07/01/2022	06/30/2023	255,953	2,519,222	10.16%				\$87,812	\$0	49
07/01/2023	06/30/2024	250,891	2,469,401	10.16%				\$87,812	\$0	47
07/01/2024	06/30/2025	247,319	2,434,246	10.16%				\$87,812	\$0	44
07/01/2025	06/30/2026	239,900	2,361,218	10.16%				\$87,812	\$0	42
07/01/2026	06/30/2027	235,129	2,314,262	10.16%				\$87,812	\$0	40
07/01/2027	06/30/2028	228,075	2,244,834	10.16%				\$87,812	\$0	40
07/01/2028	06/30/2029	221,233	2,177,489	10.16%				\$87,812	\$0	40
07/01/2029	06/30/2030	219,021	2,155,714	10.16%				\$87,812	\$0	41
07/01/2030	06/30/2031	216,830	2,134,157	10.16%				\$87,812	\$0	41
07/01/2031	06/30/2032	214,662	2,112,815	10.16%				\$87,812	\$0	41
07/01/2032	06/30/2033	212,515	2,091,687	10.16%				\$65,859	\$0	41
07/01/2033	06/30/2034	210,390	2,070,770	10.16%				\$0	\$0	40
07/01/2034	06/30/2035	208,286	2,050,063	10.16%				\$0	\$0	39
07/01/2035	06/30/2036	206,203	2,029,562	10.16%				\$0	\$0	38
07/01/2036	06/30/2037	204,141	2,009,266	10.16%				\$0	\$0	38
07/01/2037	06/30/2038	202,100	1,989,174	10.16%				\$0	\$0	37
07/01/2038	06/30/2039	200,079	1,969,282	10.16%				\$0	\$0	37
07/01/2039	06/30/2040	198,078	1,949,589	10.16%				\$0	\$0	36
07/01/2040	06/30/2041	196,097	1,930,093	10.16%				\$0	\$0	34
07/01/2041	06/30/2042	194,136	1,910,792	10.16%				\$0	\$0	34
07/01/2042	06/30/2043	192,195	1,891,684	10.16%				\$0	\$0	32
07/01/2043	06/30/2044	190,273	1,872,768	10.16%				\$0	\$0	31
07/01/2044	06/30/2045	188,370	1,854,040	10.16%				\$0	\$0	31
07/01/2045	06/30/2046	186,487	1,835,500	10.16%				\$0	\$0	31
07/01/2046	06/30/2047	184,622	1,817,145	10.16%				\$0	\$0	30
07/01/2047	06/30/2048	182,776	1,798,973	10.16%				\$0	\$0	29
07/01/2048	06/30/2049	180,948	1,780,983	10.16%				\$0	\$0	28
07/01/2049	06/30/2050	179,138	1,763,174	10.16%				\$0	\$0	28
07/01/2050	06/30/2051	177,347	1,745,542	10.16%				\$0	\$0	27

\* 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."

**SAN FRANCISCO LITHOGRAPHERS  
PENSION TRUST AGREEMENT**

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AMENDMENT REVISING

TRUST INDENTURE OF

SAN FRANCISCO LITHOGRAPHERS PENSION TRUST

The above-named Trust Agreement is hereby amended in its entirety to read as set forth in the revised Trust Agreement attached hereto and made part hereof. The primary purpose of this revision is to comply with the requirements of Part 4 of Title I of the Employee Retirement Income Security Act of 1974.

The individuals signing below as Trustees thereby accept their appointment (or continuing appointment) as Trustees under the revised Trust Agreement.

The revised Trust Agreement will become effective January 1, 1976.

GRAPHIC ARTS INTERNATIONAL  
UNION LOCAL 280

BY:

*Raymond Clappert*

EMPLOYER TRUSTEES:

*James P. ...*  
*Frank ...*  
*Arthur ...*

PRINTING INDUSTRIES OF  
NORTHERN CALIFORNIA

BY:

*Arthur Sullivan*

UNION TRUSTEES:

*Vincent Passanisi*  
*George ...*  
*James P. Nelson*  
*Raymond Clappert*

WELLS FARGO BANK,  
CORPORATE CO-TRUSTEE

BY:

*Kent ...*  
*R. R. ...*

SAN FRANCISCO LITHOGRAPHERS

PENSION TRUST AGREEMENT

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SAN FRANCISCO LITHOGRAPHERS

PENSION TRUST AGREEMENT

I. INTRODUCTION.

A. Name. The official name of the Trust created hereby, which is generally referred to hereafter as the "Trust", is:

SAN FRANCISCO LITHOGRAPHERS PENSION TRUST

It was originally established March 28, 1950.

B. Purpose. It is the purpose of this Trust to use and invest the contributions received by it for the exclusive purpose of providing benefits to Participants and their Beneficiaries and defraying reasonable expenses of administration. This purpose shall be accomplished in accordance with all applicable laws, specifically including the Employee Retirement Income Security Act of 1974 (ERISA), as amended from time to time. The Trust shall be irrevocable (although it may be terminated as hereafter provided) and no part of its corpus or income shall ever revert to or inure to the benefit of any contributing employer except for the return of erroneous contributions as provided hereafter.

C. Benefits. The type of benefits to be provided, which are referred to hereafter as the "benefits", are pension benefits and other benefits incidental thereto.

The specific benefits from time to time provided, and the eligibility requirements therefore, are set forth in one or more documents entitled:

"SAN FRANCISCO LITHOGRAPHERS PENSION PLAN"

Art. I, Para. A - C

referred to hereafter as the "Plan". The Plan may include more than one set of benefits and eligibility rules to take account of different contribution rates or other pertinent factors. The Plan, as amended from time to time, is incorporated herein by reference and is a part of this Trust Agreement.

Art. I (End)

II. DEFINITIONS.

The following words and phrases have the special meanings indicated. Other words and phrases with special meanings are defined where they first appear unless their meaning is apparent from the context.

A. "Joint Board of Trustees" means the group of individuals appointed to administer the Trust as provided below. As a group they are referred to as the "Joint Board". The individual members, including any alternates when acting in place of regular members, are referred to as the "Trustees".

B. "Union" means:

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and any successor thereto. It shall also include any other labor organization (and its successors) designated as such by the Joint Board; but failure of the Joint Board to agree on such a designation shall not be subject to arbitration.

C. "Association" means:

PRINTING INDUSTRIES OF NORTHERN CALIFORNIA

and any successor thereto.

D. "Employer" means any business entity which is required by a collective bargaining agreement between the Union and the Association to make payments into this Trust.

"Employer" shall also include any other business entity whose participation is permissible under applicable laws (including the Union on behalf of its own employees)

Art. II, Para. A - D

and which contributes to the Trust with the approval of the Joint Board and in accordance with such conditions as it may from time to time require to assure the financial integrity of the Trust and equity among Employers and Participants; however, failure to agree on the initial participation of an Employer which does not have a bargaining agreement with the Union (other than the Union itself) shall not be subject to arbitration.

The Joint Board may require any Employer to sign a subscription agreement acceptable to it before crediting the Employer's contributions or benefits attributable thereto.

E. "Contribution Agreement" means any collective bargaining agreement, subscription agreement or other written agreement approved by the Joint Board requiring contributions hereto.

F. "Participant" means any person on whose behalf contributions have been properly payable to the Trust and who either (1) is currently eligible for benefits or (2) has contributions and/or employment credited to his account by the Trust to be used in determining his or his Beneficiaries' eligibility for benefits; also any other person who may qualify as such under ERISA. "Beneficiary" means any person designated in accordance with the Plan who is or may become entitled to benefits thereunder.

G. "Plan Year" means the fiscal year on which the records of the Plan and Trust are kept.

H. "Corporate Co-Trustee" means any bank or trust company appointed by the Joint Board as provided below.

Art. II, Para. E - I (End)

### III. OBLIGATIONS OF EMPLOYERS.

A. Payment of Contributions. All Employer contributions required by a Contribution Agreement shall be payable on the tenth (10th) day of the month for the immediately preceding month, and shall be payable at such place in the county where the Trust's principal place of business is located as the Joint Board may from time to time specify; payment elsewhere shall be permitted only with the Joint Board's prior written approval.

Payments shall be accompanied by complete reports on forms furnished or approved by the Trust so that the contributions can be allocated accurately. For any report period for which an Employer fails to file a report, until the proper report is filed by the Employer and accepted by the Trust, the amount due from the Employer for the report period for which the Employer has failed to file shall be deemed to be not less than the amount due pursuant to the most recent complete report filed by the Employer covering an equivalent period of time. The Employer may be compelled by the Trust or its assignee, by way of subpoena, civil discovery or other legal proceeding, to prepare, submit and file with the Trust proper reports for any period for which the Employer has previously failed to file.

Art. III, Para. A

B. Delinquent Contributions. Any Employer contribution shall be deemed delinquent if not received on or before the due date specified above. The Joint Board may, in the event of repeated delinquencies by the same Employer, make special rules applicable to the due date of said Employer's contributions and may require the Employer to post a bond or other security against further delinquencies.

It is recognized and acknowledged that the regular and timely payment of Employer contributions is essential to the efficient and fair administration of the Trust and the maintenance of Plan benefits. If Employers do not make timely payments, the Trust loses the investment return it should have received, and incurs additional administrative expense in the form of letters, telephone calls, and other collection expenses. The Trust is also delayed or prevented from processing claims by employees for benefits under the Plan. The Trust's collection expenses, loss of return on investment, and inability to pay benefits constitute damages arising from an Employer's default in making timely payments, and these damages cannot be allowed to deplete the contributions promptly paid by other Employers. It would be extremely difficult and impractical to fix the actual expense and damage to the Trust, over and above attorney's fees, for each Employer's default. Therefore, the amount of damages

Art. III, Para. B

to the Trust resulting from any Employer's default, over and above attorney's fees, shall be presumed to be the sum of \$20.00 per delinquency or ten per cent (10%) of the amount which is delinquent, whichever is greater. Such amount shall become due and payable to the Trust as liquidated damages, and not as a penalty, on the first day of the month following the month in which the delinquency occurs, but may be waived by the Joint Board pursuant to rules and regulations adopted by it.

Contributions and liquidated damages unpaid by the first day of the month following the month in which they are due shall bear interest from such date at the rate of six per cent (6%) per annum.

C. Recordkeeping and Audits. Each Employer shall maintain such time records, checks, check stubs, quarterly or other pertinent government returns, or such other records relating to employment for which contributions are payable hereunder, sufficient (1) to determine whether it has satisfied all obligations to the Trust and (2) to permit the Trust to comply with all applicable laws. These records shall be maintained within California for a period of not less than seven years following the end of the calendar year in which the employment occurs. If an Employer fails to keep records adequate to determine its obligations, there shall be a rebuttable presumption, at the option of the Trust, that all sums paid to Participants by such Employer were wages for work for which contributions were payable to this Trust.

Art. III, Para. C



The Joint Board, or its authorized representatives, may require any Employer to submit to it any information relevant to the administration of the Trust. Upon notice in writing, an Employer must permit an authorized Trust representative to enter upon the premises of such Employer at a mutually agreeable time during regular business hours to examine and copy such records as may be necessary to determine whether the Employer is making full and prompt payment of all sums required to the Trust. In the event that an examination of the Employer's records reveals that full and prompt payment of all sums due is not being made, then such Employer shall reimburse the Trust, upon demand of the Joint Board, for the costs of said examination in addition to any other obligations it may have hereunder.

D. Collection Actions. The Trust may institute legal proceedings to collect delinquent Employer contributions, liquidated damages, interest and attorney's fees. Such proceedings may be instituted in the name of the Trust or the Joint Board, or the claim may be assigned to a third person for collection. The county in which the particular Employer contribution is payable shall be a proper county in which to institute legal proceedings to collect all sums owing by the Employer.

Art. III, Para. D

The Employer shall reimburse the Trust, or its assignee, for all reasonable attorney's fees, court costs and all other reasonable expenses incurred in connection with such suit or claim, including any and all appellate proceedings therein. It is recognized that the extent of legal services necessarily incurred in the collection of required Employer contributions may in certain cases have no relation to the fact that the amount of the delinquency is relatively small.

E. Return of Contributions. Employer contributions made to the Trust as a result of a mistake of fact may not be returned to the Employer more than one year after the date they were paid. (This one-year limitation is to comply with ERISA, and should a longer period become permissible under ERISA, it shall automatically replace said one-year limitation.) If a contribution is made on behalf of a person for whom contributions are not required under the Employer's Contribution Agreement, the Trust's sole obligation with respect thereto shall be to return the erroneous contribution, subject to the time limitation just set forth; provided, however, that the Trust shall have the option of retaining any contributions based upon which benefit eligibility has been provided. The Trust shall not be obligated to provide benefits dependent upon such erroneous contribution and may recover from the Employer any losses resulting from benefits paid as a result of the latter's error by assigning to it any right of recovery against the recipient.

F. Cooperation with Joint Board. Whenever requested by the Joint Board, the Employer will distribute to all Participants currently in its employ such information as the Joint Board deems necessary to carry out its obligations. That distribution shall be made in such manner as the Joint Board may specify and without charge to either the Participants or the Trust. Any Employer which wilfully fails to comply with any such reasonable request of the Joint Board shall be liable for any penalties or damages which are thereby incurred.

G. Limitation on Liability of Employers. Employers and their bargaining representatives shall have only such liabilities to the Trust as are set forth or authorized hereunder or under their Contribution Agreements. They shall have no other liabilities for the operation or obligations of the Trust, nor for the failure of other Employers to fulfill their obligations to the Trust, except as specifically imposed under ERISA or other applicable laws.

Art. III, Para. F & G (End)

#### IV. FIDUCIARIES.

A. General Rules. The Joint Board and the individual Trustees who are its members shall be the "named fiduciaries" required by ERISA. Any other person shall be a fiduciary only to the extent he has discretionary authority or discretionary control respecting management of the Trust or Plan; or exercises any authority or control respecting management or disposition of Trust assets; or has any discretionary authority or discretionary responsibility in the administration of the Plan; or renders investment advice for a fee or other compensation, direct or indirect, or has any authority or responsibility to do so. Any person or group of persons may serve in more than one fiduciary capacity with respect to the Plan and Trust.

It is not intended that either the Union, or any Employer or bargaining representative of Employers, or any attorney, accountant, broker, actuary, office personnel, professional administrator or consultant (other than an Investment Manager) shall itself be a "fiduciary" simply as a result of performing services for the Trust pursuant to agreement with the Joint Board. Therefore, such persons shall not perform acts of the type set forth above which would make them fiduciaries except as specifically authorized by the Joint Board.

Art. IV, Para. A

B. Fiduciary Standards.- All fiduciaries with respect to the Plan (whether or not "named fiduciaries") shall discharge their duties solely in the interest of the Participants and Beneficiaries in furtherance of the Trust's purpose as set forth in Article I above and in accordance with the requirements of this Trust Agreement, the Plan and ERISA. In so doing, they shall use the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

C. Allocation of Fiduciary Responsibilities.  
Fiduciary responsibilities may be allocated or delegated as follows, so long as the allocation or delegation meets the fiduciary standards set forth above and is evidenced by an appropriate resolution of the Joint Board:

1. Any responsibility to manage or control Plan assets may be allocated only among the Trustees and any Corporate Co-Trustee, except insofar as such responsibility is delegated to an Investment Manager as provided hereafter.

2. Other responsibilities may be allocated or delegated to any person, but any Participant or Beneficiary whose claim for benefits is denied shall have the right to have the denial ultimately reviewed by the Joint Board itself.

Art. IV, Para. B & C

D. Liability of Fiduciaries. In no event will a fiduciary be liable with respect to a breach of a fiduciary duty if such breach was committed before he became a fiduciary or after he ceased to be a fiduciary. Furthermore, to the fullest extent permitted by law, no fiduciary shall be liable for any act or omission of any other person. Specifically:

(1) If a specific responsibility, obligation or duty relating to control or management of Plan assets is allocated among the Trustees and/or any Corporate Co-Trustee or any Investment Manager, then one to whom such a function has not been allocated shall not be liable either individually or as a trustee for any loss to the Trust arising from any acts or omissions on the part of those to whom such function has been allocated.

(2) Upon the proper allocation or delegation of any other fiduciary responsibility, no Trustee shall be liable for the acts or omissions of the person or persons to whom such responsibility has been allocated or delegated, provided that there has been no violation of the fiduciary standards set forth above with respect to such allocation or delegation, nor with respect to the establishment or implementation of procedures relative thereto, nor in continuing the delegation.

Art. IV, Para. D

Nothing herein shall be construed as limiting a fiduciary's liability for a breach of fiduciary responsibility of another fiduciary with respect to the Plan if (i) he knowingly participates in or undertakes to conceal an act or omission of such other fiduciary knowing it is a breach, (ii) by his failure to comply with fiduciary standards in the administration of his responsibilities making him a fiduciary, he has enabled such other fiduciary to commit a breach, or (iii) he has knowledge of a breach by such other fiduciary and he fails to make reasonable efforts under the circumstances to remedy the breach.

E. Compensation and Expenses. To the extent approved by the Joint Board, fiduciaries may receive reasonable compensation for services rendered by them. However, no fiduciary who already receives full-time pay from an employer or an association of employers whose employees are Participants in the Plan, or from an employee organization whose employees are Participants in the Plan, shall receive compensation for his services except insofar as permitted by ERISA.

To the extent authorized by the Joint Board, all fiduciaries may be reimbursed for expenses actually and properly incurred in accordance with the performance of their duties hereunder, or given an appropriate advance against such reimbursement subject to immediate repayment if the advance should exceed the amount to which they are entitled hereunder. Expenses for which reimbursement may be authorized shall include, without limitation, those incurred in attendance at

Art. IV, Para. E

meetings and other functions of the Joint Board or its committees, or in attendance at institutes, seminars, conferences or workshops relating to matters of common interest to trusts such as this, or in defending against legal actions which do not result in a judgment that the Trustee has violated any ERISA-imposed responsibility, obligation or duty.

F. Bonds and Insurance. No bonds or other security shall be required of any fiduciary or other person except as required by law, but the Joint Board may direct that such other bonds be obtained as it deems appropriate for itself or others. The Joint Board may also direct that such insurance be purchased as it deems appropriate to protect itself, the Trust, or others. The cost of such bonds or insurance shall be paid by the Trust; provided, however, that any bonds or insurance purchased with Trust funds which insure against liability or losses occurring by reason of the act or omission of a fiduciary shall permit recourse by the insurer against the fiduciary in the case of a breach of a fiduciary obligation by such fiduciary. In addition, any fiduciary may acquire such additional insurance as it deems appropriate to protect itself (including, if available, a waiver of the carrier's retained right of recourse in any insurance policy purchased with Trust funds) so long as the cost of such insurance is not paid by the Trust.

Art. IV, Para. F (End)



V. APPOINTMENT AND PROCEDURES OF JOINT BOARD.

A. Number of Trustees. The Joint Board shall be composed of an even number of individuals, half of whom shall be known as "Union Trustees" and half of whom shall be known as "Employer Trustees".

The total authorized number of Trustees is eight, but this number may be changed from time to time by the Joint Board, so long as the positions open to Employer Trustees and Union Trustees remain equal in number.

B. Method of Appointment of Union Trustees. Union Trustees shall be appointed by and serve at the pleasure of the Union. If there is more than one Union, they shall participate in appointments and removals in such manner as may from time to time be specified by majority vote of the Union Trustees. Appointments and removals shall be made by written instrument delivered to the Joint Board. If a vacancy is not filled within sixty (60) days after notice to the appointing parties, the remaining Union Trustees shall fill the vacancy within thirty (30) days after that sixty-day period expires; and if they fail to do so, any Trustee or Participant may petition the appropriate federal court to fill the vacancy. Any person appointed by the Union Trustees or a court due to failure of the Union to fill the vacancy shall serve at the Union's pleasure the same as though appointed by it.

C. Method of Appointment of Employer Trustees. Employer Trustees shall be appointed by and serve at the pleasure of the Association. Appointments and removals shall be made by written instrument delivered to the Joint

Art. V, Para. A - C

Board. If a vacancy is not filled within sixty (60) days after notice to the Association, the remaining Employer Trustees shall fill the vacancy within thirty (30) days after the sixty-day period expires; and if they fail to do so, any Trustee or Participant may petition the appropriate federal court to fill the vacancy. Any person appointed by the Employer Trustees or a court due to failure of the Association to fill the vacancy shall serve at the Association's pleasure the same as though appointed by it.

D. Alternates. If alternate Trustees are authorized by the Joint Board, the party appointing a Trustee may also appoint an alternate for such Trustee to serve at the pleasure of the appointing party. Any such appointment shall be made by written instrument delivered to the Joint Board. In the event that a Trustee is absent from a meeting of the Joint Board, or is not readily available to sign any written consent authorized hereunder, his alternate may act for him.

E. Term of Office. Each Trustee shall begin serving at the time specified in the instrument appointing him (or upon receipt of that instrument if it does not specify a time), but not before signing a written acceptance of his appointment. The Trustee shall serve until his successor assumes office, but shall have the right to resign at any time by written instrument delivered to the Joint Board.

F. Officers. The officers of the Joint Board shall be a Chairman and a Secretary, one of which offices shall always be held by an Employer Trustee and one of which shall

Art. V, Para. D - F

always be held by a Union Trustee. The Joint Board may provide for such additional officers as it deems appropriate.

G. Meetings. The Joint Board shall determine the time and place for regular periodic meetings, which shall be held at least semi-annually. Special meetings may be called by either the Chairman or Secretary or by any two Trustees upon at least five days written notice to all other Trustees. A meeting shall be valid even if proper notice is not given if all Trustees then serving or their alternates are present or if all absent Trustees, not including absent alternates, waive notice in writing either before or after such meeting. The Joint Board may also act without a meeting by written instrument executed by all Trustees.

H. Quorum. To constitute a quorum, there must be present at least one-half of the Employer Trustees then serving and one-half of the Union Trustees then serving.

I. Method of Voting. The Employer Trustees present at any meeting shall share equally as many votes as there are authorized Employer Trustees and the Union Trustees present at any meeting shall share equally as many votes as there are authorized Union Trustees. Any Trustee may give a written proxy to any other Trustee who is a member of his group, but the proxy may not be used if the Trustee's alternate is present at the meeting.

Each group's total authorized voting power shall be cast as a unit by majority vote of the members of that group present and voting.

Art. V, Para. G - I

J. Deadlocks and Arbitration. A deadlock shall be deemed to have occurred with respect to any matter voted upon by the Joint Board which results in a tie vote. A deadlock shall also be deemed to have occurred if there is a tie vote among the members of either group on any matter.

In the event of a deadlock, the matter shall be submitted to arbitration upon the request of any Trustee. The Joint Board shall agree upon a person to serve as arbitrator. If an agreement is not reached within 30 days of the request for arbitration, any Trustee may petition the United States District Court with jurisdiction over the area where the Trust has its principal office to appoint the arbitrator. The arbitrator shall determine the procedures to be followed in the arbitration.

All expenses incurred by the Joint Board in connection with the dispute, including legal fees, shall be paid by the Trust. No other party who may participate in the arbitration may recover his costs of advocacy unless specifically allowed by the arbitrator or required by law.

Unless otherwise prohibited hereunder, any matter within the jurisdiction of the Joint Board may be submitted to the arbitrator as provided above, but unless specifically provided elsewhere hereunder the arbitrator shall have no power to add to or subtract from, alter or change the provisions of this Trust Agreement, the Plan or any Contribution Agreement. The decision of the arbitrator, so long as it does not go beyond the scope of his authority, shall be final and binding upon all parties to the dispute.

K. Establishment of Administrative Office. The Joint Board shall establish an administrative office and shall staff such office in such manner as it deems appropriate, either with its own employees or by contract with such business entity as it may select. It may also establish such additional offices as it may from time to time deem necessary. The administrative office and personnel and costs related thereto (as well as other appropriate administrative services and costs) may be shared with other trusts subject to ERISA to reduce the expenses of administration, achieve greater efficiency, and/or provide better service to participants and their beneficiaries; the basis of sharing shall be such reasonable method as the Joint Board may approve.

L. Execution of Instruments. The Joint Board shall authorize such persons as it deems appropriate to execute checks drawn on any bank accounts maintained by it, or to issue checks bearing facsimile signatures of such persons. Furthermore, any two Trustees, one of whom is an Employer Trustee and one of whom is a Union Trustee, may execute any contracts or other legal documents on behalf of the Trust if so authorized by the Joint Board. Instructions to any Corporate Co-Trustee or Investment Manager, or other communications, shall be similarly executed or may be executed in such other manner as the Joint Board may have previously authorized.

Any person may rely on any documents executed in accordance with this provision as having been duly authorized by the Joint Board and executed in accordance with the terms of this Trust Agreement.

VI. AUTHORITY OF JOINT BOARD.

A. General Authority. Subject to its powers of allocation and delegation set forth elsewhere hereunder, the Joint Board shall have exclusive authority to control and manage the operation and administration of the Trust and its assets, and shall be the "Administrator" required by ERISA.

B. Establishment of Plan and Claim Procedures. The Joint Board shall establish the benefits to be provided, the eligibility requirements therefor, and all other matters appropriate to the Plan, including procedures for applying for benefits and remedies for the redress of claim denials which comply with the requirements of ERISA. It may from time to time amend any or all of the provisions of the Plan in the manner set forth hereafter.

C. Records and Reports. The Joint Board shall keep on file at the principal administrative office, and in such other places as may be necessary to make available all pertinent information to Participants and Beneficiaries, a copy of this Trust Agreement, the Plan and all annual and interim reports made in connection therewith; and shall cause to be furnished to each Participant and Beneficiary all descriptions and information required by ERISA. It shall also file with the appropriate governmental agency all forms, reports and other information required by ERISA.

Art. VI, Para. A - C

Insofar as required by ERISA, the Joint Board shall make copies of all documents described above, and other documents under which the Plan is established or operated, available for examination by any Participant or Beneficiary and shall furnish copies of such documents to any Participant or Beneficiary upon written request, and may in its discretion charge such reasonable amounts therefor as are permissible under ERISA.

The Joint Board shall engage, on behalf of all Participants, an independent qualified public accountant to prepare an annual audit and give his opinion as to whether the financial statements of the Trust are presented fairly and in conformity with generally accepted accounting principles applied on a consistent basis with that of the preceding year.

The Joint Board shall also engage, on behalf of all Participants, a person enrolled as an actuary pursuant to ERISA who shall be responsible for preparing the actuarial statements required by ERISA. The actuary shall utilize such assumptions and techniques as are necessary to enable him to form an opinion as to whether the contents of the actuarial statement (1) are in the aggregate reasonably related to the experience of the Plan and to reasonable expectations and (2) represent his best estimate of anticipated experience under the Plan.

Art. VI, Para. C (cont'd)

D. Miscellaneous Powers. - The Joint Board may exercise all other lawful powers appropriate to the exercise of its authority hereunder, including the following:

(1) To pay all Trust expenses;

(2) To establish such rules and regulations as may be necessary in the administration of the Trust;

(3) To borrow money to carry out the purposes of this Trust and to pledge, assign or hypothecate any of the Trust assets to secure such loan;

(4) To sue or be sued on behalf of this Trust.

The Joint Board shall be the only necessary party plaintiff or defendant in any legal action, and service of process upon it may be made upon any Trustee;

(5) To accept, compromise, arbitrate or otherwise settle any obligation, liability or claim involving this Trust, including, but not by way of limitation, any claim for contributions or other sums payable hereto, and to enforce or contest any other obligation, liability or claim by appropriate legal proceedings if, in its sole discretion, it is in the interest of the Trust to do so, or to assign any such claim and allow the assignee to institute legal or arbitration proceedings in its own name to enforce collection;

(6) To require any person with obligations or rights hereunder to furnish, or permit an audit of, any reasonable information, data, and documents which are pertinent

Art. VI, Para. D



in verifying the accuracy of contributions and acting upon claims for benefits, or which are otherwise pertinent in administering this Trust.

(7) To publish, file and distribute all reports required by law;

(8) To construe any of the terms or provisions of the Trust or Plan; and any such construction shall be binding on all persons concerned;

(9) To determine all questions relating to eligibility for benefits, how they will be provided, and similar questions, including the establishment of rules relating to the extent, if any, for which credit will be given for required contributions not actually received by the Trust, and the Joint Board's decisions on such questions shall be binding on all persons, except as may be otherwise specifically provided herein or in regulations duly adopted by the Joint Board;

(10) To retain or employ attorneys, accountants, actuaries, office personnel, professional administrators and consultants and other suitable agents and employees; and unless otherwise provided by ERISA, it shall be immaterial that the persons so retained or employed have been retained or employed by anyone else with rights or obligations hereunder. Any agreement with such persons may be for any period of time the Joint Board deems appropriate, but it may terminate any such agreement at any time, even if by so doing this Trust might be liable for breach of contract;

Art. VI, Para. D (cont'd)

(11) To establish such reserves as it deems appropriate or as may be required by ERISA;

(12) To enter into reciprocal agreements with joint boards of other trusts providing similar benefits, so that persons may move from one trust's jurisdiction to another's without loss of benefits, and to agree to the transfer of funds from one such trust to another if necessary or advisable in connection therewith; but failure of the Joint Board to agree on any such action shall not be subject to arbitration;

(13) To provide Plan benefits either directly from Trust assets or through one or more contracts with organizations legally qualified to enter into contracts providing Plan benefits (including insurance companies), or partly by direct payment and partly through such contracts. The Joint Board shall exercise all powers granted to contract-holders under any such contract except and until it relinquishes them in writing. (Nothing in this Trust shall be construed as making any organization with which this Trust contracts a party to this Trust Agreement, nor as imposing any obligations on it; instead, such organization's obligations shall be only such as are contained in its agreements with the Joint Board.)

Art. VI, Para. D (cont'd)

E. Limitation on Liability. Each Trustee shall discharge his duties hereunder in accordance with the provisions and standards set forth herein. It is to be noted, however, that trusts of this type are relatively recent in origin, and their management presents problems concerning which there has been only limited experience. Also, individuals serving as Trustees hereunder generally do so by virtue of their regular employment and without compensation. For these reasons, the parties desire to limit the obligations of the Trustees, and to hold them harmless against any liabilities hereunder, to the fullest extent permitted by law. Therefore, subject to the ERISA-imposed limitations set forth below, a Trustee shall not be liable for any act or omission to act, so long as it is not committed intentionally or with indifference to the best interests of Participants or their Beneficiaries, and the Trust shall exonerate, defend, reimburse and hold him harmless against any such act or omission to act. As examples, a Trustee shall be protected:

(1) In acting upon any papers, documents, data or information reasonably believed by him to be true and accurate and to be made, executed, delivered or assembled by the proper parties;

(2) For any act concerning which he reasonably relies upon the opinion of legal counsel;

(3) For the act of any agent, employee, consultant or attorney chosen and retained with reasonable care; or

(4) For any act or omission of another Trustee in which he does not join.

If any of the foregoing provisions should be held by a Court of competent jurisdiction to go beyond what is legally permissible, the remaining provisions shall nevertheless be given effect insofar as the law permits, it being the intention that any invalid provisions be severable from the others. Furthermore, except insofar as specifically permitted by ERISA, the foregoing provisions shall not apply to relieve a Trustee from responsibility or liability for any responsibility, obligation or duty established by ERISA, but shall only apply to such additional responsibilities, obligations or duties as may be performed by him hereunder in good faith and with reasonable care.

Art. VI (End)

VII. CORPORATE CO-TRUSTEE.

A. Appointment. The Joint Board shall determine whether a bank or trust company shall act as Corporate Co-Trustee hereunder and, if so, shall select it. The selection shall be evidenced by one or more separate written agreements in which the Corporate Co-Trustee agrees to act, which shall specify the Corporate Co-Trustee's fees and other charges and such other matters as may be agreed upon; said agreements are incorporated herein by reference and made a part hereof, and if there is any inconsistency between their provisions and the provisions of this document, the former shall govern to the extent that they are lawful.

If no Corporate Co-Trustee is selected or acting, any powers given it below shall remain with the Joint Board, subject to its power of delegation.

B. General Powers. Subject to any proper allocation of responsibilities between it and the Joint Board and any authority delegated to an Investment Manager as set forth below, the Corporate Co-Trustee shall receive all contributions and other sums payable to the Trust; shall share with the Joint Board the exclusive authority and discretion to manage and control the assets of the Trust, including all Trust income; and shall have such other duties and responsibilities as are set forth herein, or as may be conferred upon it by agreement between it and the Joint Board. However, the Corporate Co-Trustee shall not be responsible for the adequacy of the contributions or for the adequacy of the Trust assets to cover Trust liabilities and, unless otherwise

agreed with the Joint Board, shall have no duty or authority to compute the amount of any Employer's obligation nor to enforce the collection of any contributions owing to the Trust.

C. Directions from the Joint Board. The Corporate Co-Trustee shall follow any directions of the Joint Board (or of others to whom specific authority to give such directions has been allocated by the Joint Board) provided such directions are consistent with ERISA, this Trust, and the Corporate Co-Trustee's written agreements with the Joint Board.

To the fullest extent permitted by law, the Corporate Co-Trustee shall not be liable for any losses which may be incurred in consequence of its following or relying on directions or information furnished it by the Joint Board, or by such other person or persons as may from time to time be designated in a writing executed by the Joint Board. For example, to the extent that the Joint Board or an Investment Manager appointed by the Joint Board as provided below is directing the Corporate Co-Trustee with respect to investments, the Corporate Co-Trustee shall not be responsible for investment results; nor shall it be responsible in such cases to make investment recommendations nor review investment directions, except insofar as may be required under its written agreements with the Joint Board.

D. Records and Reports. The Corporate Co-Trustee shall keep accurate and detailed accounts of all records, receipts and disbursements, and other transactions hereunder,

Art. VII, Para. C & D

and its accounts, books and records hereunder shall be open to inspection by the Joint Board or its agents at all reasonable times.

Within sixty (60) days of the close of each Plan Year, the Corporate Co-Trustee shall submit to the Joint Board a written annual report of the financial transactions for said Plan Year, together with a statement of assets and liabilities as of the close of said Plan Year. The Corporate Co-Trustee shall also file such written report within sixty (60) days after either (1) its removal or resignation; (2) termination of the Trust; or (3) being requested to do so by the Joint Board. It shall also prepare all governmental reports relative to matters for which it has responsibility and, unless otherwise agreed with the Joint Board, such other governmental reports as are readily available from its records.

E. Resignation or Removal. The Corporate Co-Trustee may be removed by the Joint Board at any time upon delivery to the Corporate Co-Trustee of a written notice of removal, and the Corporate Co-Trustee may resign at any time by delivering a written notice of resignation to the Joint Board.

The removal or resignation shall be effective on the date specified in the notice, but such date shall be not less than ninety (90) days from the date the notice is delivered unless the other party consents to an earlier

Art. VII, Para. E

date. A retiring Corporate Co-Trustee shall file with the Joint Board a written account of its acts, in the manner hereinabove provided, from the date of its last regular account to the date it ceases to act, and shall then transfer and deliver all Trust property, including originals or copies of all Trust records, to the Joint Board or any successor Corporate Co-Trustee designated by it in writing.

If no new Corporate Co-Trustee is appointed within thirty (30) days from the effective date of the resignation of the Corporate Co-Trustee, or within thirty (30) days from receipt by the Corporate Co-Trustee of notice of removal, as the case may be, the Corporate Co-Trustee may proceed under applicable law to have a court of competent jurisdiction appoint a successor Trustee, and the cost of such proceeding shall be paid by the Trust.

Art. VII (End)



VIII. FUNDING AND INVESTMENTS.

A. Funding and Investment Policies. The Joint Board shall establish and carry out funding and investment policies and methods consistent with the objectives of the Trust and the requirements of ERISA, shall review such policies and methods at appropriate intervals and shall communicate them to any Corporate Co-Trustee and any Investment Manager.

B. Investment Decisions. The Joint Board may itself invest and otherwise manage Plan assets, or it may delegate all or some of these management powers (including the power to acquire and dispose of Plan assets) either to a Corporate Co-Trustee, or to an Investment Manager which qualifies as such under ERISA and acknowledges in writing that it is a fiduciary with respect to the Plan and Trust. The appointment, selection and retention of any Investment Manager shall be solely the responsibility of the Joint Board, and shall be revocable by it at any time; no Corporate Co-Trustee serving hereunder shall have any obligation with regard to such decisions. Any person to whom management powers are delegated shall exercise its powers in accordance with the funding and investment policies established by the Joint Board, but shall have no responsibility for the establishment or adequacy of such policies.

Art. VIII, Para. A & B

C. Investment Standards. Investments shall be prudent ones and shall be diversified so as to minimize the risk of large losses unless it is clearly prudent not to do so. They shall not be in conflict with ERISA's "prohibited transactions" provisions or its limitations with respect to acquisition and holding of "employer securities" or "employer real property" (as those terms are defined in ERISA). No fiduciary shall cause the Trust to engage in transactions which violate these requirements and any instructions from others upon which any Corporate Co-Trustee must rely shall be consistent with these requirements.

D. Investment Powers. The Trust assets, or any part thereof, may be invested in securities issued by the United States Government; in bonds; in common or preferred stocks; in other securities listed on any exchange or traded in any over-the-counter market, including shares of mutual investment companies; in pooled investment portfolios managed by insurance companies; in improved real estate; in notes; in mortgages; in certificates of deposit of any bank, including any corporate Co-Trustee; in commercial paper; in bankers' acceptances (excluding those of any Corporate Co-Trustee) or in any other properties in which this Trust may lawfully invest. If any assets are ever held in which this Trust may not properly invest, they shall be disposed of as promptly as is prudent under the circumstances. Except as otherwise authorized by the Department Labor, the indicia of ownership of Trust assets shall at all times be held within the jurisdiction of the District Courts of the United States.

Art. VIII, Para. C & D

Whoever holds title to Trust assets shall have all rights and powers with respect to investing the Trust property that an absolute owner would have, subject only to any written directions previously received from another fiduciary authorized hereunder to give such directions. These investment powers shall include, without limitation, the following powers in addition to those set forth elsewhere hereunder and others given by law:

(1) To hold in cash in a non-interest bearing account such portion of the Trust assets as may be reasonably required for the day-to-day administration of the Trust and disbursement of benefits, by depositing the same in any bank (including any bank acting as Corporate Co-Trustee hereunder) subject to the rules and regulations governing such deposits. Additional cash shall be placed in interest-bearing accounts and/or obligations (which may be with the Corporate Co-Trustee) until such time as it is otherwise invested;

(2) To participate in any plan of lease, merger, consolidation, exchange, foreclosure or reorganization affecting securities held hereunder at any time;

(3) To deposit stocks under voting agreements;

(4) To subscribe for stock or bond privileges;

(5) To vote with respect to all securities or other assets in person or by proxy, except that where an Investment Manager has been appointed and is acting, proxies and other shareholder material with respect to assets under its supervision will be forwarded to it if it so requests;

Art. VIII, Para. D (cont'd)

(6) To register securities in the name of a nominee, or to hold the same unregistered and in such form that they will pass by delivery;

(7) To lease, repair, alter, or improve real estate or other assets;

(8) To sell any securities, real estate, or other assets at public or private sale for such prices and upon such terms as it may deem proper, without liability on the part of the purchasers to see to the application of the purchase money;

(9) To borrow money and to secure the repayment thereof by mortgage on real estate, pledge of securities, or otherwise, without liability on the part of the lenders as to the application of the assets loaned;

(10) To invest Trust assets collectively with funds of other trusts in one or more of the investment funds for employee benefit trusts established by any Corporate Co-Trustee or any other common or commingled fund now or hereafter maintained by the Corporate Co-Trustee as the same may be amended from time to time; and if any portion of the Trust is so invested the declaration creating such funds shall be deemed to be incorporated into this Trust Agreement the same as if fully set forth herein.

Art. VIII (End)

IX. AMENDMENT AND TERMINATION.

A. Amendments. The Trust or Plan may be amended at any time by the Joint Board. It may amend them in whole or in part, and at any time, and all persons with rights or obligations hereunder shall be bound thereby. However, no amendment shall alter or negate the Trust purpose set forth in Article I or any applicable and lawful provision of a Contribution Agreement. Failure of the Trustees to agree upon a proposed amendment shall not be subject to arbitration as a deadlock, except as provided hereafter in the case of mandatory amendments.

Amendments shall be made by written instrument signed by a majority of the Union Trustees and a majority of the Employer Trustees. Only amendments affecting the rights or obligations of a Corporate Co-Trustee shall require its consent.

B. Mandatory Amendments. Amendment of the Trust or Plan shall be mandatory in the following situations:

(1) When necessary to assure compliance with ERISA or other applicable laws;

(2) When necessary to assure the tax-deductibility of contributions hereto under federal and state income tax laws;

(3) When necessary to assure (if possible) that this Trust remains tax exempt; that contributions to this Trust will not be deemed part of the "regular rate" at which

Art. IX, Para. A & B

an employee is employed for purposes of the Fair Labor Standards Act; and that such contributions will not be subject to deductions for purposes of any State Unemployment Insurance Act, the Federal Unemployment Tax Act, the Federal Insurance Contributions Act, or any similar legislation.

If the Trust or Plan is not amended when so required, the matter shall be submitted to arbitration as provided above, and, notwithstanding any other provision hereof, the Joint Board shall be bound to execute such amendment of the Trust or Plan as the arbitrator deems necessary to satisfy the requirements of this provision.

C. Termination. The Joint Board may terminate the Plan or this Trust at any time. The Trust shall not be terminated without terminating the Plan, but the Plan may be wholly or partially terminated without terminating the Trust. Termination shall be accomplished in the same manner as amendment.

Upon termination of the Trust, all obligations shall first be satisfied. The Joint Board shall thereupon use the remaining Trust assets to provide Plan benefits in such manner as the Plan may provide, or in the absence of a Plan provision, to continue to provide Plan benefits in a manner permitted by ERISA for so long as Trust assets permit.

D. Transfer of Assets to Another Benefit Trust. Notwithstanding anything above to the contrary, the Joint Board may transfer the Trust assets or any portion thereof to the Trustees of any other trust or trusts which provides

similar benefits. However, failure of the Joint Board to agree on any such action shall not be subject to arbitration.

Neither the Trust nor the Plan shall be merged or consolidated with, or transfer its assets or liabilities to, any other plan or trust unless each participant in the Plan would (if the Plan terminated) be entitled to receive a benefit immediately after the merger, consolidation or transfer which 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 terminated.

E. Withdrawals by Individual Employers. To the extent permitted by ERISA and subject to approval by Internal Revenue Service, the Joint Board may establish regulations to protect the Trust in the event any Employer terminates its participation hereunder, which regulations may provide for the curtailment, in whole or in part, of benefits attributable to or dependent upon employment with the terminating Employer. Neither the terminating Employer, its employees nor their representatives shall have any right to the return of any monies contributed to the Trust by the terminating Employer, all of which monies shall continue to be held hereunder.

Any provision hereof or of the Plan to the contrary notwithstanding, the amount of accrued benefits payable with respect to each employee participating in the Plan shall be determined without regard to the cessation of contributions by an Employer of a participant, except to the extent such benefits accrued as a result of the participant's service with that Employer before such Employer was a member of the Plan.

X. MISCELLANEOUS.

A. Employer-Employee Relationship Not Affected.

Nothing in this Trust shall give any employee the right to be retained in the employment of any Employer, and any employer-employee relationship relating to this Trust shall continue in the same manner as though this Trust had not been executed.

B. Rights and Remedies Limited. No person shall have any right, title or interest in or to Trust assets except as otherwise required by law or otherwise specifically provided hereunder. Furthermore, except insofar as otherwise required by ERISA's prohibition of forfeitures, no person shall have any right to payments barred by the Statute of Limitations unless payment is requested by the person during his lifetime and the Joint Board, in its sole discretion, determines that there are extenuating circumstances justifying payment.

C. Rights Not Transferable. Unless permitted by ERISA and approved in advance by the Joint Board, all benefits provided to persons under the Plan shall be paid directly to them, shall not be liable for their debts or other obligations, may not be assigned, alienated or used as security by them, and shall not be subject to attachment, execution or other legal proceedings. Notwithstanding the foregoing sentence, if at any time any person entitled to receive future payments from the Trust has already received from the Trust payments in excess of what he was entitled to receive as of that date, then, except to the extent prohibited by ERISA, the Joint Board may withhold from future payments due to him or his Beneficiary such amounts as are necessary to reimburse the Trust for such excess payments.



D. Payments during Incapacity. Notwithstanding any other provisions hereof, if in the judgment of the Joint Board any mental, physical or other incapacity prevents a person entitled to benefits from properly handling his own affairs, then until any benefits to which he is entitled have been claimed by a legally appointed representative, these benefits may, in the discretion of the Joint Board, either be held for his benefit or paid to any one or more persons or institutions responsible for providing for his care and maintenance. The person entitled to the benefits shall promptly be sent notice of any such action.

E. Governing Law, Severability of Provisions and Interpretation. The provisions of this Trust Agreement shall be interpreted, administered and enforced according to applicable federal law, and to the extent that federal law is not applicable, according to the laws of the place of execution. If any such provision is held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions shall continue to be fully effective. When interpreting the provisions of this Trust Agreement, the intention that the Plan and Trust fully comply with the requirements of such laws shall be taken into account, and any ambiguities shall be resolved in favor of compliance therewith. If any provision unambiguously conflicts with any such law, the provisions of the law shall apply instead of the conflicting provision until such time as the conflicting provision can be appropriately amended.

Art. X, Para. D & E (End)

AMENDMENT NUMBER ONE TO  
SAN FRANCISCO LITHOGRAPHERS PENSION  
TRUST AGREEMENT

WHEREAS, the Multiemployer Pension Plan Amendments Act of 1980 amended ERISA by adding special rules relating to Employer withdrawals from a multiemployer pension plan (new Sections 4201 through 4225); and

WHEREAS, the San Francisco Lithographers Pension Plan is a multiemployer defined benefit pension plan as defined in ERISA and therefore subject to these new withdrawal liability rules; and

WHEREAS, under the new withdrawal liability rules the Plan can select certain alternative rules permitted by the law;

NOW, THEREFORE, to establish which of the alternative rules will apply, the undersigned Trustees hereby amend Article III of the San Francisco Lithographers Pension Trust Agreement, as set forth on the following pages.

Dated: January 27, 1981

UNION TRUSTEES

Raymond Pappert  
George Hansen  
Arthur S. Wilson

EMPLOYER TRUSTEES

Horton Amundson  
H. Kiley  
R. Thomas

AMENDMENT NUMBER ONE TO  
SAN FRANCISCO LITHOGRAPHERS PENSION  
TRUST AGREEMENT

Article III of the Trust Agreement is amended by adding the following Paragraph H thereto effective April 29, 1980:

"H. Employer Withdrawal Liability

In applying the employer withdrawal liability provisions of the Multiemployer Pension Plan Amendments Act of 1980, the following rules will apply:

(1) Method For Computing Statutory Withdrawal Liability

(a) Method. The amount of the unfunded vested benefits allocable to an Employer that withdraws from the Plan shall be determined in accordance with ERISA Section 4211 (c) (2).

(b) Period of Years. To the extent not prohibited by PBGC regulations, in determining any fraction which is used in the method designated in subparagraph (a), a period of five years will be used for both the numerator and denominator.

(c) Denominator. For purposes of determining the denominator of any fraction which is used in the method designated in subparagraph (a), only contributions of significant withdrawn Employers will be excluded from the denominator. A significant withdrawn Employer means:

(i) An Employer to whom the Plan has sent a notice of withdrawal liability under ERISA Section 4219, or

(ii) A withdrawn Employer that in any Plan Year used to determine the denominator contributed at least \$250,000 or, if less, 1% of all contributions made by Employers for that year.

(d) Concerted Withdrawal. For purpose of subparagraph (c) above, a group of Employers shall be treated as a single Employer if they withdraw in a concerted withdrawal. A concerted withdrawal means a discontinuance of contributions to the Plan during a single Plan Year,

- (i) by an employer association, or
- (ii) by all or substantially all of the employers covered by a single collective bargaining agreement, or
- (iii) by all or substantially all of the employers covered by agreements with a single labor organization.

(2) Statutory De Minimis Rule

Subject to the mass withdrawal limitation of ERISA Section 4209(c), the amount of the unfunded vested benefits allocable under ERISA Section 4211 to an Employer which withdraws from the Plan shall be reduced by the smaller of:

(a)  $\frac{3}{4}$  of 1% of the Plan's unfunded vested benefits (determined as of the end of the Plan Year ending before the date of withdrawal), or

(b) \$100,000, reduced, in either event, by the amount, if any, by which the unfunded vested benefits attributable to the Employer, determined without regard to this de minimis reduction, exceeds \$150,000.

(3) Interest Assumption. For purposes of determining the amount of withdrawal liability under the Plan, the interest assumption shall be determined as follows:

(a) The interest assumption shall be 7% unless changed as hereafter provided.

(b) The Board may by regulation from time to time change the interest assumption, so long as in the aggregate all actuarial assumptions and methods used to determine withdrawal liability are reasonable.

(c) Unless changed by the Board as provided in subparagraph (b), after the date the PBGC issues final or temporary regulations under ERISA Section 4213, the interest assumptions for Employers withdrawing after that date shall be determined in accordance with such regulations, and in addition, if such assumptions produce a lesser withdrawal liability than the assumptions previously used by the Board, the Board may, in its sole discretion, apply such interest assumptions retroactively to any Employers who withdrew before that date.

(4) Notice and Collection of Withdrawal Liability.

(a) Information From Employer. An Employer shall, within 30 days after written request from the Board, furnish such information as the Board reasonably determines to be necessary to enable it to comply with the withdrawal liability provisions of ERISA.

(b) Amount of Annual Payment. The amount of each annual payment of a withdrawing Employer shall be determined under ERISA Section 4219(c)(1)(C)(i).

(c) Periodic Payments. Each annual payment determined in accordance with subparagraph (b) above shall be payable in twelve equal installments due on the first day of each month. If payment is not made when due, interest on the payment shall accrue from the due date until the date on which payment is made at a rate based on prevailing market rates for comparable obligations as determined by the Board.

(d) Defaults. In the event of a default (as hereafter defined) the Board may require immediate payment of the outstanding amount of an Employer's withdrawal liability, plus interest accrued under subparagraph (c). The term default shall include, but not be limited to,

(i) The failure of an Employer to make, when due, any payment under this paragraph, if the failure is not cured within 60 days after the Employer receives written notification from the Board of such failure,

(ii) Any other event or events which, individually or collectively, indicate a substantial likelihood that an Employer will be unable to pay its withdrawal liability. Such events shall include:

-- Any act of bankruptcy (as defined under federal bankruptcy law);

-- Any delinquency to the Trust during the year prior to the Employer's withdrawal which was not paid or protested in writing within 30 days after the Plan's first demand for the delinquent payment (unless the Board in its sole discretion concludes that such event does not, in fact, indicate the substantial likelihood described above); and

-- Any other such event specified in rules adopted by the Board which are in effect at the time the event occurs.

(5) Free Look Rules. ERISA Section 4210(a) shall not apply to the Plan.

(6) Effect on Other Provisions. Nothing in this paragraph H shall limit the Board's power:

(a) To terminate the participation of any Employer for failure to fulfill its requirements hereunder or for failure to continue meeting the requirements for participation as an Employer, or

(b) If an Employer ceases to contribute to the Trust, to curtail benefits accrued as a result of participants' service with such Employer before it was obligated to contribute to the Trust."

AMENDMENT NUMBER TWO TO  
SAN FRANCISCO LITHOGRAPHERS PENSION TRUST AGREEMENT

In accordance with Article IX, paragraph A, of the Trust Agreement, the above-named Trust Agreement is amended as follows:

<u>Provision Amended or Added</u>	<u>Effective Date</u>
1. Article II-B	July 1, 1990
2. Article II-C	July 1, 1990
3. Article IV-G	July 1, 1990
4. Article V-C	July 1, 1990

Employer Trustees  
Danny Keenan  
R. J. Janowski  
H. J. Kelly

Union Trustees  
Monica L. Lucero  
Kenneth K. Heape  
Joe E. Johnson  
Chris J. Lee  
James J. ...

Dated: July 25, 1990

Dated: July 25, 1990

AMENDMENT NUMBER TWO TO

SAN FRANCISCO LITHOGRAPHERS PENSION TRUST AGREEMENT

1. Article II, paragraph B is amended to read as follows:

"B. "Union" means Graphic Communications Union Local 583 and any successor thereto. It shall also include any other labor organization (and its successors) designated as such by the Joint Board; but failure of the Joint Board to agree on such a designation shall not be subject to arbitration."

2. Article II, paragraph C is amended to read as follows:

"C. "Association" means the Printing Industries of Northern California and any successors thereto."

3. Article IV of the Trust Agreement is amended by adding the following new paragraph G:

"G. Standard of Review. The Joint Board is granted full discretionary authority to determine benefits and to construe the terms of the Plan. Any action taken by the Joint Board within its authority granted by this Trust Agreement shall be binding on all persons affected to the fullest extent permitted by law. No action of the Joint Board shall be revised, changed or modified by any arbitrator or court unless the party seeking such action has exhausted all of its administrative remedies, and is able to show by clear and convincing evidence that the Joint Board's decision was an abuse of discretion in light of the information actually available to it, and considered by it, at the time of its decision. The purpose of this provision is to make Joint Board actions binding on all persons to the fullest extent



permitted by law. Therefore, if any of the foregoing provisions should be held to go beyond what is legally permissible, the remaining provisions shall nevertheless be given effect insofar as the law permits."

4. Article V, paragraph C is amended to read as follows:

"C. Method of Appointment of Employer Trustees. Employer Trustees shall be appointed by and serve at the pleasure of the Association. Appointments and removals shall be made written instrument delivered to the Joint Board. If a vacancy is not filled within sixty (60) days after notice to the Association, the remaining Employer Trustees shall fill the vacancy within thirty (30) days after the sixty-day period expires; and if they fail to do so, any Trustee or Participant may petition the appropriate federal court to fill the vacancy. Any person appointed by the Employer Trustees or a court due to failure of the Association to fill the vacancy shall serve at the Association's pleasure the same as though appointed by it."

AMENDMENT NUMBER THREE TO  
SAN FRANCISCO LITHOGRAPHERS PENSION TRUST AGREEMENT

In accordance with Article IX of the above-named Trust Agreement, Article III is amended, effective June 1, 1994, to provide as follows:

"III. OBLIGATIONS OF EMPLOYERS.

A. Payment of Contributions.

(1) Time and Place of Payment. All Employer contributions required by a Contribution Agreement shall be payable on the first (1st) day of the month for the immediately preceding month, and shall be payable at such place in the county where the Trust's principal place of business is located as the Joint Board may from time to time specify; payment elsewhere shall be permitted only with the Joint Board's prior written approval.

(2) Report Forms. Payments shall be accompanied by complete reports on forms furnished or approved by the Trust so that the contributions can be allocated accurately. For any report period for which an Employer fails to file a report, until the proper report is filed by the Employer and accepted by the Trust, the amount due from the Employer for the report period for which the Employer has failed to file shall be deemed to be not less than the amount due pursuant to the most recent complete report filed by the Employer covering an equivalent period of time. The Employer may be compelled by the Trust or its

assignee, by way of subpoena, civil discovery or other legal proceeding, to prepare, submit and file with the Trust proper reports for any period for which the Employer has previously failed to file.

B. Delinquent Contributions.

(1) When Employer Considered Delinquent. Any Employer contribution shall be deemed delinquent if not received on or before the 25th day of the month immediately following the month for which the contribution is made. The Joint Board may, in the event of repeated delinquencies by the same Employer, make special rules applicable to the due date of said Employer's contributions and may require the Employer to post a bond or other security against further delinquencies.

(2) Liquidated Damages. It is recognized and acknowledged that the regular and timely payment of Employer contributions is essential to the efficient and fair administration of the Trust and the maintenance of Plan benefits. If Employers do not make timely payments, the Trust incurs additional administrative expense in the form of letters, telephone calls, computer time, and other collection expenses. The Trust is also delayed or prevented from processing claims by employees for benefits under the Plan. The Trust's collection expenses and inability to pay benefits constitute damages arising from an Employer's default in making timely payments, and these damages cannot be allowed to deplete the contributions promptly paid by other Employers. It would be extremely difficult and

impractical to fix the actual expense and damage to the Trust, over and above attorney's fees, for each Employer's default.

Therefore, in the case of delinquent contributions for which payment is received on or before thirty (30) days following the date of the delinquency the amount of liquidated damages due to the Trust resulting from any Employer's default, over and above attorney's fees and interest, shall be the sum of \$20.00 per delinquency or ten per cent (10%) of the amount which is delinquent, whichever is greater. Such amount shall become due and payable to the Trust as liquidated damages, and not as a penalty, but may be waived by the Joint Board pursuant to rules and regulations adopted by it.

If payment is not received on or before thirty (30) days following the date of the delinquency, the amount of liquidated damages on the delinquent contributions shall be an amount equal to the greater of (a) 20% of the delinquent contributions as of the date of delinquency or (b) \$20. If a lawsuit is filed to collect delinquent contributions the Trust shall be entitled to such liquidated damages as are provided by law, if greater than the rates provided in this subparagraph. Such amounts are due and payable to the Trust as liquidated damages and not as a penalty, and such liquidated damages may be waived only pursuant to rules and regulations adopted by the Joint Board unless a collection suit against the Employer has been filed, in which case the Joint Board may waive liquidated damages as appropriate under the circumstances.

(3) Interest. Delinquent contributions shall accrue interest from the first date of the month following the month in which they are due at the rate of six per cent (6%) per annum. Provided, however, if a lawsuit is filed to collect delinquent contributions the Trust shall be entitled to interest at such rates as are provided by law, if greater than the amount stated above in this subparagraph. Interest on delinquent contributions may be waived, but only pursuant to rules and regulations adopted by the Joint Board unless a collection suit against the Employer has been filed, in which case the Joint Board may waive interest as appropriate under the circumstances.

C. Recordkeeping and Audits. Each Employer shall maintain such time records, checks, check stubs, quarterly or other pertinent government returns, or such other records relating to employment for which contributions are payable hereunder, sufficient (1) to determine whether it has satisfied all obligations to the Trust and (2) to permit the Trust to comply with all applicable laws. These records shall be maintained within California for a period of not less than seven years following the end of the calendar year in which the employment occurs. If an Employer fails to keep records adequate to determine its obligations, there shall be a rebuttable presumption, at the option of the Trust, that all sums paid to Participants by such Employer were wages for work for which contributions were payable to this Trust.

The Joint Board, or its authorized representatives, may require any Employer to submit to it any information relevant to the administration of the Trust. Upon notice in writing, an Employer must permit an authorized Trust representative to enter upon the premises of such Employer at a mutually agreeable time during regular business hours to examine and copy such records as may be necessary to determine whether the Employer is making full and prompt payment of all sums required to the Trust. In the event that an examination of the Employer's records reveals that full and prompt payment of all sums is not being made, then such Employer shall reimburse the Trust, upon demand of the Joint Board, for the costs of said examination in addition to any other obligations it may have hereunder.

D. Collection Actions. The Trust may institute legal proceedings to collect delinquent Employer contributions, liquidated damages, interest and attorney's fees. Such proceedings may be instituted in the name of the Trust or the Joint Board, or the claim may be assigned to a third person for collection. The county in which the particular Employer contribution is payable shall be a proper county in which to institute legal proceedings to collect all sums owing by the Employer.

The Employer shall reimburse the Trust, or its assignee, for all reasonable attorney's fees, court costs and all other reasonable expenses incurred in connection with such suit or claim, including any and all appellate proceedings therein. It

is recognized that the extent of legal services necessarily incurred in the collection of required Employer contributions may in certain cases have no relation to the fact that the amount of the delinquency is relatively small.

In the event an applicable Contribution Agreement contains provision relating to collections that specify additional remedies, or obligate the delinquent Employer to greater amounts of liquidated damages, interest, attorney's fees or other items than those set forth herein, the Joint Board, at its option, may pursue the additional remedies or impose the greater charges.

E. Mistaken Contributions. Within the discretion of the Board and to the extent permitted under the Internal Revenue Code, ERISA, and regulations issued under those laws, mistaken Employer contributions will be treated as follows:

(1) Calculation Mistakes. If the Employer had a written Contribution Agreement requiring contributions to the Trust (including an expired agreement which the Employer was obligated to honor under federal labor laws), but errors were made in the calculation of the amount due under the written agreement, the following rules shall apply:

(a) Subject to the limitations set forth below, Employer contributions made to the Trust as a result of such a mistake may be returned to the Employer, without interest or other appreciation, within six months after the Board determines that the contribution was made by such a mistake.

(b) Employer contributions made to the Trust as a result of such a mistake may not be returned to the Employer unless a written refund request is submitted to the Trust by the Employer within four years of the Due Date of the report form containing the erroneous contributions.

(c) If a contribution is made on behalf of a person for whom contributions are not required under the Employer's Contribution Agreement, the Trust shall not be obligated to provide benefits dependent upon such erroneous contributions, and may recover from the Employer any losses resulting from benefits paid as a result of the mistaken contributions by assigning to the Employer any right of recovery the Trust may have against the recipient.

(2) No Written Agreement. If the Employer did not have a written Contribution Agreement requiring contributions to the Trust, the following rules shall apply:

(a) The Trust shall not be obligated to pay benefits based on any erroneous contributions.

(b) The amount of the erroneous contributions may be paid by the Trust, without interest or other appreciation, to the employee on whose behalf the contribution was made, and such payment shall relieve the Trust from all liability or responsibility to any person or entity whatsoever for any such erroneous contribution.

F. Cooperation with Joint Board. Whenever requested by the Joint Board, the Employer will distribute to all Participants



currently in its employ such information as the Joint Board deems necessary to carry out its obligations. That distribution shall be made in such manner as the Joint Board may specify and without charge to either the Participants or the Trust. Any Employer which wilfully fails to comply with any such reasonable request of the Joint Board shall be liable for any penalties or damages which are thereby incurred.

G. Rules and Regulations. The Joint Board is authorized to adopt from time to time additional rules and regulations relating to the Employer's obligations to make timely contributions to the Trust, the means by which the Trust may enforce such obligations, the documents which must be made available on audit, and such other matters necessary to assure the prompt and accurate payment of contributions due. Such rules may include the order in which payment, or partial payments, are credited to various Employer obligations. With respect to the rights of the Trust to enforce such rules and the rules set forth in this Article III, all such rules shall supersede inconsistent provisions in underlying collective bargaining agreements to the extent that the latter provide for a later due date, lesser remedies in favor of the Trust for breaches of the obligation to contribute accurately and on a timely basis, or lesser record-keeping and reporting requirements.

H. Limitation on Liability of Employers. Employers and their bargaining representatives shall have only such liabilities to the Trust as are set forth or authorized hereunder or under

their Contribution Agreements. They shall have no other liabilities for the operation or obligations of the Trust, nor for the failure of other Employers to fulfill their obligations to the Trust, except as specifically imposed under ERISA or other applicable laws."

Employer Trustees

*H. J. Riley*

*Harry Teach*

*M. J. Garboub*

Union Trustees

*Monica Lucero*

*Leary Gutierrez*

*Andy D. Alvarez*

*[Signature]*

*Joe Sabatini*

Dated: 8/9/94

Dated: Aug. 9, 1994

AMENDMENT NUMBER FOUR TO  
SAN FRANCISCO LITHOGRAPHERS PENSION TRUST AGREEMENT

In accordance with Article IX of the above-named Trust Agreement, paragraph E of Article III is amended, effective May 1, 1995, to provide as follows:

"E. Mistaken Contributions. Within the discretion of the Board and to the extent permitted under the Internal Revenue Code, ERISA, and regulations issued under those laws, mistaken Employer contributions will be treated as follows:

(1) Calculation Mistakes. If the Employer had a written Contribution Agreement requiring contributions to the Trust (including an expired agreement which the Employer was obligated to honor under federal labor laws), but errors were made in the calculation of the amount due under the written agreement, the following rules shall apply:

(a) Subject to the limitations set forth below, Employer contributions made to the Trust as a result of such a mistake may be returned to the Employer, without interest or other appreciation, within six months after the Board determines that the contribution was made by such a mistake. Provided, however, that any refund of mistaken contributions shall be reduced by an amount equal to ten percent (10%) of the gross mistaken contributions. In determining gross mistaken contributions there shall be no reduction for offsetting

delinquent contributions. The Joint Board may adopt rules and regulations concerning the waiver of this ten percent (10%) administrative charge.

(b) Employer contributions made to the Trust as a result of such a mistake may not be returned to the Employer unless a written refund request is submitted to the Trust by the Employer within four years of the Due Date of the report form containing the erroneous contributions.

(c) If a contribution is made on behalf of a person for whom contributions are not required under the Employer's Contribution Agreement, the Trust shall not be obligated to provide benefits dependent upon such erroneous contributions and, in addition to any administrative charge set forth in sub-paragraph E.(1)(a), above, may recover from the Employer any losses resulting from benefits paid as a result of the mistaken contributions by assigning to the Employer any right of recovery the Trust may have against the recipient.

(2) No Written Agreement. If the Employer did not have a written Contribution Agreement requiring contributions to the Trust, the following rules shall apply:

(a) The Trust shall not be obligated to pay benefits based on any erroneous contributions.

(b) The amount of the erroneous contributions may be paid by the Trust, without interest or other appreciation, to the employee on whose behalf the contribution was made, and such payment shall relieve the Trust from all

liability or responsibility to any person or entity whatsoever for any such erroneous contribution."

Employer Trustees

*J. Kelly*  
*R. J. ...*  
*F. D. Thomas*  
*Harry Leach*

Union Trustees

*J. E. ...*  
*Monica L. Lucero*  
*Hedy S. ...*  
*Gary ...*

Dated: August 15, 1995

Dated: August 15, 1995

SAN FRANCISCO LITHOGRAPHERS PENSION TRUST  
RESOLUTION

WHEREAS, the Board of Trustees of the San Francisco Lithographers Pension Trust has restated the rules in the case of unpaid or underpaid employer contributions,

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS, effective September 1, 1994:

1. Employer contributions are due and payable on the first day of the month following the month in which hours are worked.
2. An employer becomes delinquent on the 25th day of the month following the month in which hours are worked. On that date liquidated damages are payable as to all delinquent contributions for that month at a rate of 10% of contributions or \$20, whichever is greater.
3. Within 10 days of the delinquency date, letters are sent to the employer regarding its delinquency, the contributions and liquidated damages that are due, and the intention of the Plan to (1) turn the matter over to the Fund collection attorney and (2) to notify affected employees. A copy of each letter shall be sent to each member of the Board of Trustees who has a standing request to receive them.
4. Within 17 days of the delinquency date, employees of the employer are notified of the delinquency. A copy of one of the letters shall be sent to each member of the Board of Trustees, who has a standing request to receive them.

5. If payment in full is not received on or before 30 days following the date of the delinquency, (a) the rate of liquidated damages due increases to 20% of contributions, (b) the participation in the Trust by the employer may be terminated by the Board, and (c) the matter is referred in writing to the Fund collection attorney. A copy of each such written referral shall be sent to each member of the Board of Trustees, who has a standing request to receive them. A terminated employer may be reinstated as a participating employer only if the Board of Trustees, in its sole discretion, permits the employer to do so.

6. Late employer payments are applied to the earliest month of the delinquency.

7. NOTE: These rules supersede inconsistent language in the applicable collective bargaining agreement to the extent that the latter provides for a later due date or lesser remedies for breach of the obligation to contribute to the Trust.

Executed on this 9<sup>th</sup> day of August, 1994.

UNION TRUSTEES

Monica Lucero  
Larry Gutierrez  
Rudy S. Meraz  
Pat G.  
Joe Johnson

EMPLOYER TRUSTEES

H. Kelly  
Ray Leach  
R. P. Jankowski

AMENDMENT NUMBER FIVE TO  
SAN FRANCISCO LITHOGRAPHERS PENSION TRUST AGREEMENT

In accordance with Article IX of the above-named Trust Agreement, Article III is amended, effective January 1, 1999, to provide as follows:

"III. OBLIGATIONS OF EMPLOYERS.

A. Payment of Contributions.

(1) Time and Place of Payment. All Employer contributions required by a Contribution Agreement shall be payable on the first day of the month for the immediately preceding month, and shall be payable at such place in the county where the Trust's principal place of business is located as the Joint Board may from time to time specify; payment elsewhere shall be permitted only with the Joint Board's prior written approval.

(2) Report Forms. Payments shall be accompanied by complete reports on forms furnished or approved by the Trust so that the contributions can be allocated accurately. For any report period for which an Employer fails to file a report, until the proper report is filed by the Employer and accepted by the Trust, the amount due from the Employer for the report period for which the Employer has failed to file shall be deemed to be not less than the amount due pursuant to the most recent complete report filed by the Employer covering an equivalent period of time. The Employer may be compelled by the Trust or its



assignee, by way of subpoena, civil discovery or other legal proceeding, to prepare, submit and file with the Trust proper reports for any period for which the Employer has previously failed to file.

B. Delinquent Contributions.

(1) When Employer Considered Delinquent. Any Employer contribution shall be deemed delinquent if not received on or before the 25th day of the month immediately following the month for which the contribution is made. The Joint Board may, in the event of repeated delinquencies by the same Employer, make special rules applicable to the due date of said Employer's contributions and may require the Employer to post a bond or other security against further delinquencies.

(2) Liquidated Damages. It is recognized and acknowledged that the regular and timely payment of Employer contributions is essential to the efficient and fair administration of the Trust and the maintenance of Plan benefits. If Employers do not make timely payments, the Trust incurs additional administrative expense in the form of letters, telephone calls, computer time, and other collection expenses. The Trust is also delayed or prevented from processing claims by employees for benefits under the Plan. The Trust's pre-litigation collection expenses and inability to pay benefits constitute damages arising from an Employer's default in making timely payments, and these damages cannot be allowed to deplete the contributions promptly paid by other Employers. It would be

extremely difficult and impractical to fix the actual expense and damage to the Trust, over and above attorneys' fees, for each Employer's default.

Therefore, in the case of delinquent contributions which are paid on or before sixty (60) days of the date of delinquency the amount of liquidated damages due to the Trust resulting from any Employer's default, over and above attorney's fees and interest, shall be the sum of \$20.00 per delinquency or ten percent (10%) of the amount which is delinquent, whichever is greater. Such amount shall become due and payable to the Trust as liquidated damages, and not as a penalty, but may be waived by the Joint Board pursuant to rules and regulations adopted by it.

If payment is not received on or before sixty (60) days following the date of the delinquency, the amount of liquidated damages on the delinquent contributions shall be an amount equal to the greater of (a) twenty percent (20%) of the delinquent contributions as of the date of delinquency or (b) \$20.00. If a lawsuit is filed to collect delinquent contributions the Trust shall be entitled to such liquidated damages as are provided by law, if greater than the rates provided in this subparagraph. Such amounts are due and payable to the Trust as liquidated damages and not as a penalty, and such liquidated damages may be waived only pursuant to rules and regulations adopted by the Joint Board unless a collection suit against the Employer has been filed, in which case the Joint Board may waive liquidated damages as appropriate under the circumstances.

(3) Interest. Delinquent contributions shall accrue interest from the first date of the month following the month in which they are due at the rate of six percent (6%) per annum. Provided, however, if a lawsuit is filed to collect delinquent contributions the Trust shall be entitled to interest at such rates as are provided by law, if greater than the amount stated above in this subparagraph. Interest on delinquent contributions may be waived, but only pursuant to rules and regulations adopted by the Joint Board unless a collection suit against the Employer has been filed, in which case the Joint Board may waive interest as appropriate under the circumstances.

C. Recordkeeping and Audits. Each Employer shall maintain such time records, checks, check stubs, quarterly or other pertinent government returns, or such other records relating to employment for which contributions are payable hereunder, sufficient (1) to determine whether it has satisfied all obligations to the Trust and (2) to permit the Trust to comply with all applicable laws. These records shall be maintained within California for a period of not less than seven (7) years following the end of the calendar year in which the employment occurs. If an Employer fails to keep records adequate to determine its obligations, there shall be a rebuttable presumption, at the option of the Trust, that all sums paid to Participants by such Employer were wages for work for which contributions were payable to this Trust.

The Joint Board, or its authorized representatives, may require any Employer to submit to it any information relevant to the administration of the Trust. Upon notice in writing, an Employer must permit an authorized Trust representative to enter upon the premises of such Employer at a mutually agreeable time during regular business hours to examine and copy such records as may be necessary to determine whether the Employer is making full and prompt payment of all sums required to the Trust. In the event that an examination of the Employer's records reveals that full and prompt payment of all sums is not being made, then such Employer shall reimburse the Trust, upon demand of the Joint Board, for the costs of said examination in addition to any other obligations it may have hereunder.

D. Collection Actions. The Trust may institute legal proceedings to collect delinquent Employer contributions, liquidated damages, interest and attorney's fees. Such proceedings may be instituted in the name of the Trust or the Joint Board, or the claim may be assigned to a third person for collection. The county in which the particular Employer contribution is payable shall be a proper county in which to institute legal proceedings to collect all sums owing by the Employer.

The Employer shall reimburse the Trust, or its assignee, for all reasonable attorney's fees, court costs and all other reasonable expenses incurred in connection with such suit or claim, including any and all appellate proceedings therein.

It is recognized that the extent of legal services necessarily incurred in the collection of required Employer contributions may in certain cases have no relation to the fact that the amount of the delinquency is relatively small.

In the event an applicable Contribution Agreement contains provision relating to collections that specify additional remedies, or obligate the delinquent Employer to greater amounts of liquidated damages, interest, attorney's fees or other items than those set forth herein, the Joint Board, at its option, may pursue the additional remedies or impose the greater charges.

E. Mistaken Contributions. Within the discretion of the Board and to the extent permitted under the Internal Revenue Code, ERISA, and regulations issued under those laws, mistaken Employer contributions will be treated as follows:

(1) Calculation Mistakes. If the Employer had a written Contribution Agreement requiring contributions to the Trust (including an expired agreement which the Employer was obligated to honor under federal labor laws), but errors were made in the calculation of the amount due under the written agreement, the following rules shall apply:

(a) Subject to the limitations set forth below, Employer contributions made to the Trust as a result of such a mistake may be returned to the Employer, without interest or other appreciation, within six (6) months after the Board determines that the contribution was made by such a mistake.

(b) Employer contributions made to the Trust as a result of such a mistake may not be returned to the Employer unless a written refund request is submitted to the Trust by the Employer within four (4) years of the Due Date of the report form containing the erroneous contributions.

(c) If a contribution is made on behalf of a person for whom contributions are not required under the Employer's Contribution Agreement, the Trust shall not be obligated to provide benefits dependent upon such erroneous contributions, and may recover from the Employer any losses resulting from benefits paid as a result of the mistaken contributions by assigning to the Employer any right of recovery the Trust may have against the recipient.

(2) No Written Agreement. If the Employer did not have a written Contribution Agreement requiring contributions to the Trust, the following rules shall apply:

(a) The Trust shall not be obligated to pay benefits based on any erroneous contributions.

(b) The amount of the erroneous contributions may be paid by the Trust, without interest or other appreciation, to the employee on whose behalf the contribution was made, and such payment shall relieve the Trust from all liability or responsibility to any person or entity whatsoever for any such erroneous contribution.

F. Cooperation with Joint Board. Whenever requested by the Joint Board, the Employer will distribute to all Participants

currently in its employ such information as the Joint Board deems necessary to carry out its obligations. That distribution shall be made in such manner as the Joint Board may specify and without charge to either the Participants or the Trust. Any Employer which wilfully fails to comply with any such reasonable request of the Joint Board shall be liable for any penalties or damages which are thereby incurred.

G. Rules and Regulations. The Joint Board is authorized to adopt from time to time additional rules and regulations relating to the Employer's obligations to make timely contributions to the Trust, the means by which the Trust may enforce such obligations, the documents which must be made available on audit, and such other matters necessary to assure the prompt and accurate payment of contributions due. Such rules may include the order in which payment, or partial payments, are credited to various Employer obligations. With respect to the rights of the Trust to enforce such rules and the rules set forth in this Article III, all such rules shall supersede inconsistent provisions in underlying collective bargaining agreements to the extent that the latter provide for a later due date, lesser remedies in favor of the Trust for breaches of the obligation to contribute accurately and on a timely basis, or lesser recordkeeping and reporting requirements.

H. Limitation on Liability of Employers. Employers and their bargaining representatives shall have only such liabilities to the Trust as are set forth or authorized hereunder or under

their Contribution Agreements. They shall have no other liabilities for the operation or obligations of the Trust, nor for the failure of other Employers to fulfill their obligations to the Trust, except as specifically imposed under ERISA or other applicable laws."

Employer Trustees

W. Kelly  
W. Deane  
W. Deane  
W. Deane  
W. Deane

Dated: \_\_\_\_\_

Union Trustees

Monica L. Lucero  
Howard C. Parker  
Norman A. Toye

Julie F. Hines  
Dated: March 23, 1999



**AMENDMENT NUMBER SIX TO**  
**SAN FRANCISCO LITHOGRAPHERS PENSION ~~PLAN~~ TRUST AGREEMENT**

In accordance with Article IX of the above-named Trust Agreement, Article III, paragraph H-(2) is amended, effective June 21, 2007, to provide as follows:

“(2) Statutory De Minimus Rule.

Subject to the mass withdrawal limitation of ERISA Section 4209 (c), the amount of the unfunded vested benefits allocable under ERISA Section 4211 to an Employer which withdraws from the Plan shall be reduced by the smaller of:

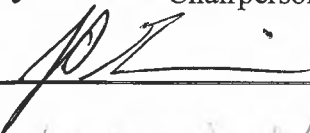
(a)  $\frac{3}{4}$  of 1% of the Plan’s unfunded vested benefits (determined as of the end of the Plan Year ending before the date of withdrawal), or

(b) \$50,000, reduced, in either event, by the amount, if any, by which the unfunded vested benefits attributable to the Employer, determined without regard to this de minimus reduction, exceeds \$100,000.”

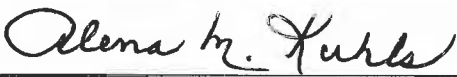
Dated: June 21, 2007

UNION TRUSTEES


  
\_\_\_\_\_  
Chairperson

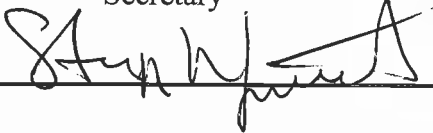
  
\_\_\_\_\_

  
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EMPLOYER TRUSTEES

  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_

\_\_\_\_\_

AMENDMENT TO THE SAN FRANCISCO  
LITHOGRAPHERS PENSION TRUST AGREEMENT

This Amendment to the Trust Agreement of the San Francisco Lithographers Pension Trust is hereby made this 12<sup>th</sup> day of December 2012, effective January 1, 2013.

RECITALS:

1. San Francisco Lithographers Pension Trust Agreement (hereinafter called "Trust Agreement") was executed on \_\_\_\_\_, 2012, established and created the San Francisco Lithographers Pension Trust.
2. Said Trust Agreement provides in Article IX, Section A, as amended, as follows:

"The Trust or Plan may be amended at any time by the Joint Board."
3. It is the desire of the Trustees to amend said Trust Agreement.

NOW, THEREFORE, the Trust Agreement for the San Francisco Lithographers Pension Trust is amended as follows:

1. Article III is amended by adding Article III, Section I thereto as follows:

The Trustees have the power, by written regulation duly communicated to all employers, to adopt procedures for binding expedited arbitration or other methods for impartial determination of the amount of any delinquent contributions and the collection thereof and all such regulations shall be binding on all Employers hereunder.

The Trustees, in their sole discretion and pursuant to said regulations, may refer any claim for delinquent Employer Contributions to final and binding expedited arbitration as follows:

- (i) An Employer shall first receive a ten-day written notice of claimed delinquency. If the delinquency is not cured during such period, the

Employer shall be notified either by personal service or certified mail of the Trustees' referral of the claim to arbitration, and such notice shall contain the date, time, and place set for the arbitration hearing. If, after such notice, any Employer fails to appear or proceed, or show sufficient cause, in the opinion of the arbitrator, why the arbitration should not proceed, the arbitrator shall be and is hereby empowered to enter a default award against said Employer, which award shall include all costs and fees incurred by the Fund in collection, including the fees of the arbitrator, and all liquidated damages, interest, and such other relief as is described in 29 USC §1132(g).

(ii) The arbitrator for each case referred to arbitration shall be assigned from a permanent panel of not less than three arbitrators to be appointed by the Trustees. Arbitrators shall be associated with or approved by the American Arbitration Association. The initial arbitration panel shall be Robert Hirsch, William Riker and Thomas Angelo. If any of said arbitrators resigns or withdraws from the panel, his/her successor shall be appointed by the Trustees.

(iii) Cases to be heard shall be assigned to the first available arbitrator next in order of rotation on the panel. An employer whose case has been referred to arbitration may disqualify the arbitrator originally assigned to his case by written notice to the Fund within 10 days of receipt of notice of the referral to arbitration. Upon such a challenge, the arbitration next on the panel shall be assigned the case and no further challenges shall be permitted.

(iv) The arbitrations shall be conducted in an expedited manner and no transcripts shall be prepared or briefs filed. The arbitrator's award shall be in writing and shall issue no later than ten days following the close of the hearing.

(v) If the claim for delinquent Employer Contributions is upheld in whole, the arbitration award shall provide for payment by the Employer of all collection costs, including but not limited to, liquidated damages as allowed by the Employee Retirement Income Security Act of 1974, as amended, interest,

attorneys' fees, collection costs, and the arbitrator's fees; and if upheld in part, the award may provide for payment of such additional amounts.


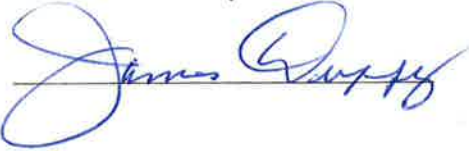
(vi) If the Trustees find it necessary to enforce the arbitrator's award, they may do so in any State or Federal Court of competent jurisdiction, and shall be entitled to recover all such relief as described in 29 USC §1132(g), and may also, at their discretion, add to such suit, any and all claims for any and all additional amounts as shall have become due and owing since the amount in the arbitration award accrued.

4. This Amendment may be executed in counterpart.


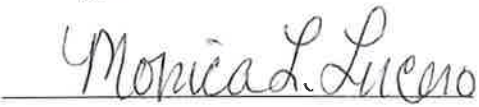

5. In all other respects, the provisions of the Trust Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned Trustees of the San Francisco Lithographers Pension Trust have executed this Amendment the date first above written.

EMPLOYER TRUSTEES

  
\_\_\_\_\_  
  
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\_\_\_\_\_

UNION TRUSTEES

  
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\_\_\_\_\_  
  
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**AMENDMENT NUMBER EIGHT TO  
SAN FRANCISCO LITHOGRAPHERS TRUST AGREEMENT**

In accordance with Article IX of the above-named Trust Agreement, Article III, paragraph H-(3) is amended, effective June 21, 2017, to provide as follows:

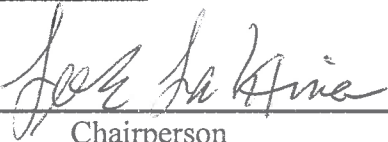
“(3) Interest Assumption. For purposes of determining the amount of withdrawal liability under the Plan, the interest assumption shall be determined as follows:

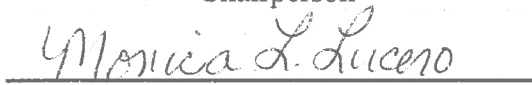
(a) The interest rate shall be fixed at such rate or rates as may be recommended from time to time by the Pension Plan’s actuary. The Board may from time to time change the interest assumption, so long as in the aggregate all actuarial assumptions and methods used to determine withdrawal liability are reasonable, and which in combination offer the actuary's best estimate of anticipated experience under the Pension Plan, respectively.

(b) Unless changed by the Board as provided in subparagraph (a), after the date the PBGC issues final or temporary regulations under ERISA Section 4213, the interest assumptions for Employers withdrawing after that date shall be determined in accordance with such regulations, and in addition, if such assumptions produce a lesser withdrawal liability than the assumptions previously used by the Board, the Board may, in its sole discretion, apply such interest assumptions retroactively to any Employers who withdrew before that date.”

Dated: October 18, 2017

UNION TRUSTEES

  
\_\_\_\_\_  
Chairperson

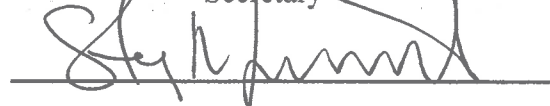
  
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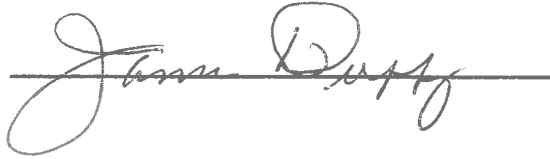
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EMPLOYER TRUSTEES

  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_

  
\_\_\_\_\_