

Application for Approval of Benefit Suspension for the Composition Roofers Local 42 Pension Plan

CHECKLIST

Response	Item Number	Description of Item	Page Number in Application
Yes	1.	Does the application include an original signature of the plan sponsor or an authorized representative of the plan sponsor? <i>See section 2.01 of this revenue procedure.</i>	0001, 0005, 0014
Yes	2.	Does the application include a description of the proposed benefit suspension – calculated as if no other limitations apply – that includes: <ul style="list-style-type: none"> the suspension's effective date (and its expiration date, if applicable), whether the suspension provides for different treatment of participants and beneficiaries, a description of the different categories or groups of individuals affected, and how the suspension affects these individuals differently? <i>See section 2.02 of this revenue procedure.</i>	0005
Yes	3.	Does the application include a penalties-of-perjury statement signed by an authorized trustee on behalf of the board of trustees? <i>See Section 2.03 of this revenue procedure.</i>	0006, 0014
Yes	4.	Does the application include a statement, signed by an authorized trustee on behalf of the board of trustees, acknowledging that the application and the application's supporting material will be publicly disclosed on the Treasury Department's website? <i>See section 2.04 of this revenue procedure.</i>	0006, 0014
Yes	5.	Does the application include the plan actuary's certification of critical and declining status and the supporting illustrations, including: <ul style="list-style-type: none"> the plan-year-by-plan-year projections demonstrating the projected insolvency during the relevant period, and separately identifying the available resources (and the market value of assets and changes in cash flow) during each of those years? <i>See section 3.01 of this revenue procedure.</i>	0006, Ex. A (0015-0017)
Yes	6.	Does the application include the plan actuary's certification that, taking into account the proposed suspension and, if applicable, a proposed partition, the plan is projected to avoid insolvency if the suspension takes effect, and the supporting illustrations, including: <ul style="list-style-type: none"> the plan-year-by-plan-year projections demonstrating projected solvency during the relevant period, separately identifying the available resources (and the market value of assets and changes in cash flow) during each of those years? <i>See section 3.02 of this revenue procedure.</i>	0007, Ex. B (0018-0055)
Yes	7.	Does the application include the plan sponsor's determination of projected insolvency that includes the documentation set forth in section 5 of the revenue procedure? <i>See section 3.03 of this revenue procedure.</i>	0007, Ex. C (0056-0063)


Response	Item Number	Description of Item	Page Number in Application
Yes	8.	Does the application include a demonstration that the limitations on individual suspensions are satisfied, including a description of each benefit based on disability, as defined under the plan, that is paid to an individual under the plan (without regard to whether the disability benefits are available to newly disabled participants) and calculations regarding: <ul style="list-style-type: none"> • the guarantee-based limitation, • the disability-based limitation, • the age-based limitation, taking into account the guarantee-based limitation, and • if applicable, the age-based limitation taking into account both the guarantee-based limitation and the disability-based limitation? <i>See section 4.01 of this revenue procedure.</i>	0007-0008, Ex. D (0064-0070)
Yes	9.	Does the application include a demonstration that the proposed suspension is reasonably estimated to achieve the level necessary to avoid insolvency for the extended period, including illustrations regarding the plan's solvency ratio and available resources? <i>See section 4.02(1) of this revenue procedure.</i>	0008, Ex. B(v) (0027-0029), Ex. B(xiii) (0050-0055), Ex. G (0088-0111)
N/A	10.	Does the application include an illustration that the proposed suspension is reasonably estimated to achieve the level necessary to avoid insolvency for the extended period utilizing stochastic projections? (This illustration is optional if the plan is not required to appoint a retiree representative under § 432(e)(9)(B)(v)(I).) <i>See section 4.02(2) of this revenue procedure.</i>	N/A
Yes	11.	Does the application include a demonstration that the proposed suspension is not projected to materially exceed the level necessary to avoid insolvency, including: <ul style="list-style-type: none"> • the plan-year-by-plan-year projections demonstrating projected insolvency during the relevant period, and • a separate identification of the available resources (and the market value of assets and changes in cash flow) during each of those years? <i>See section 4.03 of this revenue procedure.</i>	0008, Ex. B(vi) (0030-0032)
Yes	12.	Does the application include a demonstration that the proposed suspension is equitably distributed, including: <ul style="list-style-type: none"> • information on the effect of the suspension on the plan in the aggregate, • information on the effect of the suspension for different categories or groups, • a list of the factors taken into account, • an explanation of why none of the factors listed in § 432(e)(9)(D)(vi) were taken into account (if applicable), • for each factor taken into account that is not one of the factors listed in § 432(e)(9)(D)(vi), an explanation why the factor is relevant, and • an explanation of how any difference in treatment among categories or groups of individuals results from a reasonable application of the relevant factors? <i>See section 4.04 of this revenue procedure.</i>	0009, Ex. B(xii) (0045-0049)

Response	Item Number	Description of Item	Page Number in Application
Yes	13.	Does the application include a copy of the notices (excluding personally identifiable information) that meet the requirements under § 432(e)(9)(F)? <i>See section 4.05(1) of this revenue procedure.</i>	0009-0010, Ex. E (0071-0083)
Yes	14.	Does the application include a description of the efforts that are being taken to contact participants, beneficiaries in pay status, and alternate payees? <i>See section 4.05(2) of this revenue procedure.</i>	0009
Yes	15.	Does the application describe the steps the plan sponsor has taken to ensure that notices delivered electronically are reasonably accessible to the recipients? <i>See section 4.05(3) of this revenue procedure.</i>	0009
Yes	16.	Does the application include a list of each employer who has an obligation to contribute under the plan and each employee organization representing participants under the plan? <i>See section 4.05(4) of this revenue procedure.</i>	0009-0010
Yes	17.	Does the application include information on past and current measures taken to avoid insolvency? <i>See section 5.01 of this revenue procedure.</i>	0010, Ex. C (0056-0063)
Yes	18.	Does the application include information regarding the plan factors described in § 432(e)(9)(C)(ii), for the past 10 plan years immediately preceding the plan year in which the application is submitted? <i>See section 5.02 of this revenue procedure.</i>	0010, Ex. C (0056-0063)
Yes	19.	Does the application describe how the plan sponsor took into account — or did not take into account — the factors listed in section 5.02 of this revenue procedure in the determination that all reasonable measures were taken to avoid insolvency? <i>See section 5.03 of this revenue procedure.</i>	0010, Ex. C (0056-0063)
Yes	20.	Does the application describe how the plan sponsor took into account — or did not take into account — in the determination that all reasonable measures have been taken to avoid insolvency, the impact of: <ul style="list-style-type: none"> • benefit and contribution levels on retaining active participants and bargaining groups under the plan, and • past and anticipated contribution increases under the plan on employer attrition and retention levels? <i>See section 5.03 of this revenue procedure.</i>	0010, Ex. C (0056-0063)
Yes	21.	Does the application include a discussion of any other factors the plan sponsor took into account including how and why those factors were taken into account? <i>See section 5.04 of this revenue procedure.</i>	0010-0011, Ex. C (0062-0063)
Yes	22.	Does the application include a copy of the proposed ballot, excluding the information regarding the statement in opposition, the individualized estimate, and the voting procedures? <i>See section 6.01 of this revenue procedure.</i>	0011, Ex. F (0084-0087)

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Yes	23.	Does the application indicate whether the plan sponsor is requesting approval from PBGC of a proposed partition under § 4233 of ERISA? <i>See section 6.02 of this revenue procedure.</i>	0011
N/A	24.	If the answer to item 23 is yes, does the application specify the effective date of the proposed partition and include a plan-year-by-plan-year projection of the amount of the reduction in benefit payments attributable to the partition? <i>See section 6.02 of this revenue procedure.</i>	N/A
Yes	25.	Does the application include: <ul style="list-style-type: none"> • a description of each of the assumptions used in the projections required under §§ 3.01, 3.02, 4.02(1), 4.02(2), and 4.03 of this revenue procedure, • supporting evidence for selection of those assumptions, and • an explanation of any differences among the assumptions used for various purposes? <i>See section 6.03 and Appendix B of this revenue procedure.</i>	0011, Ex. B (0018-0055), Ex. G (0088-0111)
Yes	26.	Does the application describe the plan's experience with certain critical assumptions, including a disclosure for each of the 10 plan years immediately preceding the application that separately identifies: <ul style="list-style-type: none"> • the total contributions, • the total contribution base units, • the average contribution rates, • the withdrawal liability payments, and • the rate of return on plan assets? <i>See section 6.04 of this revenue procedure.</i>	0011, Ex. B(I) (0022)
Yes	27.	Does the application include deterministic projections of the sensitivity of the plan's solvency ratio throughout the extended period by taking into account the more conservative assumptions of investment experience and future contribution base units than assumed elsewhere in the application? <i>See section 6.05 of this revenue procedure.</i>	0011, Ex. B(VII-X) (0033-0043)
Yes	28.	Does the plan include deterministic projections for each year in the extended period of: <ul style="list-style-type: none"> • the value of plan assets, • the plan's accrued liability, and • the plan's funded percentage? <i>See section 6.06 of this revenue procedure.</i>	0011, Ex. B(XI) (0044)
Yes	29.	Does the application include the plan sponsor's representation that, if it receives the Treasury Department's final authorization to suspend and then chooses to implement the suspension, it will also amend the plan: <ul style="list-style-type: none"> • to provide that the suspension will cease upon the plan sponsor's failure to maintain a written record of its annual determination that (i) all reasonable measures continue to be taken to avoid insolvency and (ii) the plan would not be projected to avoid insolvency without a suspension, • to require that any future benefit improvements must satisfy § 432(e)(9)(E), and • to specify that the plan sponsor will not modify these amendments, notwithstanding any other provision of the plan document? <i>See section 6.07 of this revenue procedure.</i>	0012

Response	Item Number	Description of Item	Page Number in Application
Yes	30.	Does the application indicate whether the plan is a plan described in § 432(e)(9)(D)(vii) and, if it is, how that is reflected in the proposed benefit suspension? <i>See section 6.08 of this revenue procedure.</i>	0012
Yes	31.	Does the application include a narrative statement of the reasons the plan is in critical and declining status? <i>See section 6.09 of this revenue procedure.</i>	0012, Ex. H (0112-0114)
Yes	32.	Does the application include the required plan sponsor identification and contact information? <i>See section 7.01 of this revenue procedure.</i>	0012
Yes	33.	Does the application include the required plan identification information? <i>See section 7.02 of this revenue procedure.</i>	0012
Yes	34.	Does the application include the required retiree representative information (if applicable)? <i>See section 7.03 of this revenue procedure.</i>	0012
Yes	35.	Does the application include required enrolled actuary information? <i>See section 7.04 of this revenue procedure.</i>	0013
Yes	36.	Does the application include a designation of power of attorney for each authorized representative who will represent the plan sponsor in connection with the application? <i>See section 7.05 and Appendix C of this revenue procedure.</i>	0013, Ex. I (0115-0119)
Yes	37.	Does the application include: <ul style="list-style-type: none"> • the required plan documents • any recent amendments • the summary plan description (SPD) • any summary of material modifications, and • the most recent determination letter? <i>See section 7.06 of this revenue procedure.</i>	0013, Ex. J (0120-0242)
Yes	38.	Does the application include the required excerpts from the relevant collective bargaining agreements and side agreements? <i>See section 7.07 of this revenue procedure.</i>	0013, Ex. K (0243-0262)
Yes	39.	Does the application include the required excerpts from the most recently filed Form 5500? <i>See section 7.08 of this revenue procedure.</i>	0013, Ex. L (0263-0310)
Yes	40.	Does the application include the most recently updated rehabilitation plan? <i>See section 7.09 of this revenue procedure.</i>	0013, Ex. M (0311-0319)
Yes	41.	Does the application include the two most recent actuarial valuation reports? <i>See section 7.10 of this revenue procedure.</i>	0013, Ex. N (0320-0391)
Yes	42.	Does the application include this checklist, completed and placed on top of the application? <i>See section 7.11 of this revenue procedure and Appendix D.</i>	0013, i-vi

Response	Item Number	Description of Item	Page Number in Application
N/A	43.	<p>If the application is being submitted for resubmission review, does the application include:</p> <ul style="list-style-type: none"> • cross-references to information in the prior application with respect to information that has not changed from the prior application, • a statement that the application is being submitted for resubmission review, and • the date on which the Treasury Department indicated that the application is a candidate for resubmission review? <p><i>See section 8 of this revenue procedure.</i></p>	N/A


Mr. Rodney Toole
 Authorized Trustee on behalf of the
 Board of Trustees for the Composition
 Roofers Local 42 Pension Plan

6/28/2019
Date

Application for Approval of Benefit Suspension

Composition Roofers Local 42 Pension Plan

Dated: June 28, 2019

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CONCLUSION, PERJURY STATEMENT, AND PUBLIC DISCLOSURE ACKNOWLEDGMENT

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- Exhibit A: PLAN ACTUARY'S CERTIFICATION OF CRITICAL AND DECLINING STATUS
- Exhibit B: PLAN ACTUARY'S SUPPLEMENTAL ACTUARIAL INFORMATION
- Exhibit C: PLAN SPONSOR'S DETERMINATION OF PROJECTED INSOLVENCY
- Exhibit D: DEMONSTRATION THAT LIMITATIONS ON INDIVIDUAL SUSPENSIONS ARE SATISFIED
- Exhibit E: NOTICES
- Exhibit F: PROPOSED BALLOT
- Exhibit G: INFORMATION ON ACTUARIAL ASSUMPTIONS AND METHODS
- Exhibit H: NARRATIVE STATEMENT
- Exhibit I: POWER OF ATTORNEY
- Exhibit J: PLAN DOCUMENTS
- Exhibit K: COLLECTIVE BARGAINING AGREEMENT
- Exhibit L: ANNUAL REPORT/FORM 5500
- Exhibit M: REHABILITATION PLAN
- Exhibit N: VALUATION REPORTS

Section 1. BACKGROUND AND PURPOSE

Subject to Section 432(e)(9) of the Internal Revenue Code of 1986 (the “Code”) and the Department of Treasury regulations found at 26 CFR §1.432(e)(9)-1 (the “Regulations”), the plan sponsor of a multiemployer plan that is in critical and declining status (within the meaning of Section 432(b)(6)) for a plan year may, by plan amendment adopted in the plan year, implement a suspension of benefits that the plan sponsor deems appropriate. Such an amendment is permitted notwithstanding the anti-cutback provisions of Section 411(d)(6).

In accordance with the instructions and guidance from the Code, the Regulations and Revenue Procedure 2017-43, the Board of Trustees (the “Board”) for the Composition Roofers Local 42 Pension Plan (the “Plan”) respectfully submits this application and the accompanying Exhibits to the Secretary of the Treasury to approve the proposed plan for benefit suspension.

As set forth in the application, the Board has evaluated and considered all available options, and has determined the proposed benefit suspension is in the best interest of all participants and beneficiaries.

Section 2. APPLICATION PROCEDURES

2.01 - Standing to submit an application

This application for approval of a proposed benefit suspension is being submitted by the Joint Board of Trustees for the Composition Roofers Local 42 Pension Plan (the “Plan Sponsor”). The application has been signed and dated by a labor and management trustee, each of whom are current members of the Board.

2.02 - Terms of proposed benefit suspension

- (1) Effective Date of Proposed Suspension - The Board would propose that the effective date for the suspension be April 1, 2020. All actuarial calculations and demonstrations contained in the attached Exhibits assume benefit suspensions begin April 1, 2020.
- (2) Expiration Date - The benefit suspension is presumed to continue indefinitely.
- (3) Proposed Suspension - Following consultation with the Plan actuary and subject to the individual and aggregate limitations of Section 432(e)(9)(D), the Board proposes a uniform 45% benefit suspension for all participants, beneficiaries, alternate payees and retirees. The proposed suspension does not provide for different treatment of participants and beneficiaries, other than as a result of the individual limitations.

2.03 - Penalties of perjury

The required penalties of perjury statement is included in the “Conclusion, Perjury Statement and Public Disclosure” section of this Application.

2.04 - Public disclosure

The required public disclosure acknowledgment is included in the “Conclusion, Perjury Statement and Public Disclosure” section of this Application.

2.05 - Application submission

The application will be submitted in the proper format to www.treasury.gov/mpira.

2.06 - Signature

All signatures will be submitted electronically in PDF format. The Board understands a stamped signature is not acceptable.

2.07 - Duty to correct

In the event any error is discovered following submission, prompt notice will be provided to the Treasury Department. The Board further understands that in the event Treasury discovers an error in the application, it may request additional materials.

Section 3. DEMONSTRATION THAT PLAN IS ELIGIBLE FOR SUSPENSION

3.01 - Plan actuary’s certification of critical and declining status

The plan actuary’s certification required under Section 432(b)(3)(A) that the plan is in critical and declining status as defined in Section 432(b)(6) for the plan year in which the application is submitted is included in Exhibit A. Documentation supporting the actuarial certification of status has been included with the certification, including a plan-year-by-plan-year projection of the available resources as defined in Section 418E(b)(3) and the benefits under the plan, demonstrating that the plan is projected to become insolvent during the 2030 Plan Year. The plan-year-by-plan-year projection separately identifies the market value of assets as of the beginning and end of each plan year in the relevant period and the following cash-flow items for each of those years: (1) contributions; (2) withdrawal liability payments, separately identifying those payments that are attributable to prior withdrawals and those payments that are attributable to assumed future withdrawals; (3) benefit payments, separately identifying benefit payments with respect to current retirees and beneficiaries, terminated vested participants who are not currently receiving benefits, currently active participants, and future new entrants; (4) administrative expenses; and (5) net investment returns.

3.02 - Plan actuary's certification that the Plan is projected to avoid insolvency

The plan actuary's certification to the Board of Trustees under Section 432(e)(9)(C)(i) that the plan is projected to avoid insolvency within the meaning of Section 418E, taking into account the proposed benefit suspension and assuming that the proposed suspension continues indefinitely is included in Exhibit B. Documentation supporting the actuarial certification under Section 432(e)(9)(C)(i) is included with the certification, including a plan-year-by-plan-year projection of the available resources within the meaning of Section 418E(b)(3) and the benefits due under the plan demonstrating the avoidance of insolvency of the plan over the extended period described in CFR 1.432(e)(9)-1(d)(5)(ii)(C). The plan-year-by-plan-year projection separately identifies the market value of assets as of the beginning and end of the initial period and each subsequent plan year in the extended period and the following cash flow items for the initial period and each of those plan years: (1) contributions; (2) withdrawal liability payments, separately identifying those payments that are attributable to prior withdrawals and those payments that are attributable to assumed future withdrawals; (3) benefit payments, separately identifying benefit payments with respect to current retirees and beneficiaries, terminated vested participants who are not currently receiving benefits, currently active participants, and future new entrants; (4) administrative expenses; and (5) net investment returns.

3.03 - Plan sponsor's determination of projected insolvency

As required by Section 432(e)(9)(C)(ii), the Board has determined that the Plan would not be projected to avoid insolvency if no suspension of benefits were applied under the plan, even though all reasonable measures to avoid insolvency have been taken. The determination is attached as Exhibit C and includes the documentation set forth in Section 5 of this revenue procedure.

Section 4. DEMONSTRATION THAT THE PROPOSED SUSPENSION SATISFIES THE STATUTORY REQUIREMENTS

4.01 - Demonstration that limitations on individual suspensions are satisfied

A demonstration of how the proposed suspension satisfies the individual limitations is attached as Exhibit D. The attached Exhibit includes a sample calculation applying the guarantee-based limitation under Section 432(e)(9)(D)(i) of the Code for an individual currently receiving benefits, a contingent beneficiary of an individual currently receiving benefits, and a future retiree. Each sample calculation identifies how the monthly benefit guaranteed under Section 4022A of ERISA is calculated. The calculations also identify the extent, if any, to which the monthly guaranteed benefit calculated under Section 4022A of ERISA is reduced on account of any limitations or exclusions.

Exhibit D contains a description of each benefit based on disability, as defined under the plan, that is paid to an individual under the plan (including disability benefits that are not available to newly disabled participants), and for each type of benefit based on disability, a sample calculation applying the disability-based limitation under § 432(e)(9)(D)(iii) of the Code for an individual currently receiving benefits, a contingent beneficiary of an individual currently receiving benefits, and a future retiree. The sample calculation shows how the plan determines the extent to which any benefit paid with respect to a participant who commenced (or will commence) benefits as a result of disability is treated as a benefit based on disability.

Exhibit D also contains sample calculations applying the age-based limitation under § 432(e)(9)(D)(ii). The sample calculations show how the proposed suspension satisfies the age-based limitation taking into account the guarantee-based limitation. The proposed suspension does not provide for different treatment of participants and beneficiaries (other than as a result of application of the individual limitations).

The demonstration does not include any personally identifiable information.

4.02 - Demonstration that the proposed suspension is reasonably estimated to enable the Plan to avoid insolvency

A demonstration that, in accordance with Section 432(e)(9)(D)(iv), the proposed benefit suspension is reasonably estimated to enable the Plan to avoid insolvency is attached as Exhibit B(V). The Composition Roofers Local 42 Pension Plan is not a plan described in Section 432(e)(9)(B)(v)(I) and it is not required to use stochastic projections in the demonstration required by Rev. Proc. 2017-43, Section 4.02. Information on the actuarial assumptions used for the illustrations is contained in Exhibit B(XIII) and Exhibit G.

4.03 - Demonstration that the proposed suspension is reasonably estimated to not materially exceed the level necessary to avoid insolvency

A demonstration that, in accordance with Section 432(e)(9)(D)(iv), the proposed benefit suspension is reasonably estimated to not materially exceed the level necessary to enable the plan to avoid insolvency is attached as Exhibit B(VI). For this purpose, the assumptions used are the same as those used in Section 4.02 of this application. The demonstration includes an illustration, prepared on a deterministic basis, of the plan's available resources and solvency ratio showing that the proposed suspension would not reasonably be estimated to enable the plan to avoid insolvency if the dollar amount of the proposed suspension for each participant and beneficiary were reduced (but not below zero) by the greater of— (1) five percent of the reduction in the periodic payment proposed for that participant or beneficiary; or (2) two percent of the participant's or beneficiary's periodic payment determined without regard to the reduction proposed in the application.

4.04 - Demonstration that the proposed benefit suspension is distributed equitably

The Board evaluated the factors listed in Section 432(e)(9)(D)(vi)(I) through (XI), but ultimately determined to propose a 45% reduction to the entire plan population. There is no group or category that will be treated differently with respect to the proposed benefit suspension. As such, the Board believes the proposed benefit suspension is distributed in an equitable manner. The Board has extended the limitation on suspension for disability benefits to the spouses of deceased disability benefit retirees. Aggregate plan information concerning the participants, beneficiaries and alternate payees; the average monthly benefit before and after suspension (taking into account the individual limitations); the present value of the reduction and distribution of the benefit suspensions is attached as Exhibit B(XII).

4.05 - Notice requirements

A copy of each type of actual notice that has been or will be given to participants, beneficiaries, employers that have an obligation to contribute within the meaning of Section 4212(a) of ERISA, and each employee organization representing participants under the plan is attached as Exhibit E. These notices do not include any personally identifying information.

The following efforts are being made to contact participants, beneficiaries and alternate payees:

- The Administrator is working with the Union to update the list of current addresses.
- To the extent the Administrator is not able to find a current address, the Plan will use a commercial locator service in an effort to reach all interested parties.
- The Board has hired a third-party digital media company to establish a website to communicate with interested parties. The first page that visitors will see on this site is a pop-up message explaining the importance of contacting the Administrator to supply an updated address.

All notices will be sent via regular U.S. Mail. Any electronic delivered notices will be sent as a supplement to regular mailings, and only to those who opt-in to receive such notices.

The employers that have an obligation to contribute within the meaning of Section 4212(a) of ERISA are as follows:

AW Farrell & Son, Inc.
745 Us Highway 50
Milford, OH 45150

Kalkreuth Roofing & Sheet Metal
8345 Green Meadows Drive N
Lewis Center, OH 43035

Dalton Roofing Co.
4477 Eastern Avenue
Cincinnati, OH 45226

Roth Bros., Inc.
3847 Crum Road
Youngstown, OH 44515

Imbus Roofing Co., Inc.
5 Charlin Drive
Wilder, KY 41076

WM Kramer & Son, Inc.
9171 Harrison Pike #12
Cleves, OH 45002

The employee organization representing Plan participants is:

Roofers Local 42
1010 Yale Avenue
Cincinnati, OH 45206

Section 5. PLAN SPONSOR DETERMINATION RELATING TO REASONABLE MEASURES TAKEN TO AVOID INSOLVENCY

5.01 - Measures taken to avoid insolvency

The Board has determined that the Plan cannot avoid insolvency if no suspension of benefits were applied under the Plan, even though all reasonable measures to avoid insolvency have been taken. A detailed description of the measures taken over the past 10 plan years to avoid insolvency is included in Exhibit C.

5.02 - Plan factors taken into account

The Board has determined that the Plan cannot avoid insolvency if no suspension of benefits were applied under the Plan, even though all reasonable measures to avoid insolvency have been taken. Specific information concerning the factors taken into account by the Board in making this determination has been included in Exhibit C.

5.03 - How plan factors were taken into account

The Board has determined that the Plan cannot avoid insolvency if no suspension of benefits were applied under the Plan, even though all reasonable measures to avoid insolvency have been taken. Information on how the plan factors were taken into account is included in Exhibit C.

5.04 - Other factors considered

The Board understands the difficulty the MPRA suspension will place upon those close to retirement, as well as the current retirees, beneficiaries and some alternate payees. However, the MPRA suspension is still preferable to the deeper cuts that would be necessary when PBGC begins providing financial assistance to the Plan. In addition, the Board wanted to shield the disabled and older retirees, beneficiaries and alternate payees from cuts that would be required under the PBGC rules. Finally, the Trustees are aware of the financial challenges facing the PBGC multiemployer program and believe it is unwise to expose the Plan's participants, retirees, beneficiaries and alternate trustees to the potentially catastrophic results of PBGC insolvency.

No one associated with the Plan is eager to implement the MPRA option, but it is the best alternative currently available to the Trustees.

Section 6. OTHER REQUIRED INFORMATION

6.01 - Proposed Ballot

Exhibit F contains a proposed ballot intended to satisfy the requirements of Section 432(e)(9)(H)(iii) (without the statement in opposition to the proposed benefit suspension described in Section 432(e)(9)(H)(iii)(II) or the individualized estimate that was provided as part of the notice described in Section 432(e)(9)(F) and the voting procedures).

6.02 - Partition

The Composition Roofers Local 42 Pension Plan is not seeking approval of a proposed partition.

6.03 - Actuarial Assumptions Used for Projections

Exhibit G includes a description of each of the assumptions used in the projections required under Sections 3.01, 3.02 and 4.02; supporting evidence for the selection of those assumptions; and to the extent different assumptions were used for different purposes, an explanation of any differences among the assumptions used for various purposes.

6.04 - Ten-year Experience for Certain Critical Assumptions

With respect to each of the 10 plan years immediately preceding the plan year in which the application is submitted, Exhibit B(I) separately identifies (1) total contributions; (2) total contribution base units; (3) average contribution rates; (4) withdrawal liability payments; and (5) rate of return on plan assets.

6.05 - Demonstration of sensitivity of projections

Exhibit B(VII-X) includes deterministic projections of the sensitivity of the Plan's solvency ratio throughout the extended period to certain key assumptions and provides the separate projections required by Rev. Proc. 2017-43, Section 6.05.

6.06 - Projection of funded percentage

Attached as Exhibit B(XI) is an illustration, prepared on a deterministic basis, of the projected value of plan assets, the accrued liability of the plan (calculated using the unit credit funding method) and the funded percentage for each year in the extended period.

6.07 - Plan sponsor certifications relating to plan amendments

The Board of Trustees hereby certifies that if it receives final authorization to implement the suspension and chooses to implement the authorized suspension, then, in addition to the plan amendment implementing the suspension, the following plan amendments will be timely adopted and not modified at any time thereafter before the suspension of benefits expires: (1) a plan amendment providing that in accordance with Section 432(e)(9)-(c)(ii) the benefit suspension will cease as of the first day of the first plan year following the plan year in which the plan sponsor fails to maintain a written record of its determination that both: (a) all reasonable measures to avoid insolvency continue to be taken during the period of the benefit suspension; and (b) the plan would not be projected to avoid insolvency if no suspension of benefits were applied under the plan; and (2) a plan amendment providing that any future benefit improvements must satisfy the requirements of § 432(e)(9)(E).

6.08 - Whether the Plan is described in Section 432(e)(9)(D)(vii)

The Plan is not a plan described in Section 432(e)(9)(D)(vii).

6.09 - Narrative Statement

A narrative statement of the reasons the plan is in critical and declining status is included as Exhibit H.

Section 7. IDENTIFICATION AND BACKGROUND INFORMATION ON THE PLAN

7.01 - Plan Sponsor

The Plan Sponsor is the Joint Board of Trustees for the Composition Roofers Local 42 Pension Plan. The address of the Board is 205 W 4th Street, Suite #225, Cincinnati, OH 45202. The telephone number is (513) 381-6886 or (800) 832-7113. An email address for the Plan Sponsor is info@r42pensionrecovery.com. The Plan's EIN is 31-6127285. The Plan Sponsor does not have a separate EIN.

7.02 - Plan identification

The Plan name is Composition Roofers Local 42 Pension Plan. The EIN is 31-6127285 and the Plan Number is 001.

7.03 - Retiree representative

The Board has not elected to appoint a retiree representative, but one current Trustee is a retiree receiving benefits from the Plan.

7.04 - Plan's enrolled actuary

The Plan's enrolled actuary and contact information:

Jason Birkle, EA, MAAA, ASA (Enrollment Number: 17-07856)
Cuni, Rust & Strenk
4555 Lake Forest Drive, Suite 620
Cincinnati, OH 45242
Ph: (513) 891-0270
jason.birkle@crsact.com

7.05 - Power of attorney

See Exhibit I. The Authorized Representatives are Michael Ledbetter of Ledbetter Parisi LLC and Jason Birkle EA, MAAA, ASA, of Cuni, Rust & Strenk.

7.06 - Plan documents

The most recent plan document, amendments, summary plan description, summaries of material modification and most recent determination letter are attached as Exhibit J.

7.07 - Collective bargaining and side agreements

The relevant portions of the collective bargaining and participation agreements are attached as Exhibit K.

7.08 - Annual return

Attached as Exhibit L are excerpts from the most recently filed Form 5500, including:

- (1) Pages 1 and 2 of the Form 5500, without attachments or schedules;
- (2) The Schedule MB, including attachments;
- (3) The Schedule R, including attachments; and
- (4) The accountant's report under ERISA Section 103(a)(3).

7.09 - Rehabilitation plan

The most recently updated rehabilitation plan is attached as Exhibit M.

7.10 - Valuation reports

The two most recent actuarial valuation reports are attached as Exhibit N.

7.11 - Completed checklist

The completed checklist signed by the Trustees has been completed and placed on top of the application.

CONCLUSION, PERJURY STATEMENT AND PUBLIC DISCLOSURE

The Board believes this application meets the requirements set forth in Section 432(e)(9)(C) through (F) but would request any questions or concerns be addressed with our Authorized Representatives shown in Exhibit I. The Board appreciates the efforts of those associated with the review of this application.

Under penalties of perjury, we declare that we have examined this Application, including accompanying documents, and, to the best of our knowledge and belief, the request contains all the relevant facts relating to the request, and such facts are true, correct, and complete. We are aware that pursuant to Section 432(e)(9)(G)(ii), the application for approval of the proposed suspension of benefits, and the Application's supporting material, will be publically disclosed through publication on the Treasury Department website.

Respectfully Submitted,



Mr. Thomas Dalton

Authorized Trustee on behalf of the
Board of Trustees for the Composition
Roofers Local 42 Pension Plan



Mr. Rodney Toole

Authorized Trustee on behalf of the
Board of Trustees for the Composition
Roofers Local 42 Pension Plan

**Application for Approval of Benefit Suspension for the
Composition Roofers Local 42 Pension Plan**

EXHIBIT A

PLAN ACTUARY'S CERTIFICATION OF CRITICAL AND DECLINING STATUS

2019 ACTUARIAL CERTIFICATION OF FUNDED STATUS

As Required under IRC § 432(b)(3) as Added by the Pension Protection Act of 2006

Plan Identification

Composition Roofers Local No. 42 Pension Plan ("Plan")
205 West Fourth Street, Suite 225
Cincinnati, OH 45202
(513) 381-6886
EIN/PN: 31-6127285/001
Plan Year: January 1, 2019 – December 31, 2019

Information on Plan Status

As of January 1, 2019, I hereby certify that the Plan is Critical and Declining as defined by the Pension Protection Act of 2006 (PPA) as amended by the Multiemployer Pension Reform Act of 2014 (MPRA) and is meeting the annual standards required under its updated Rehabilitation Plan which was designed to forestall the Plan's insolvency.

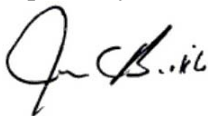
This certification has been prepared based on the Plan's January 1, 2018 Actuarial Valuation and unaudited December 31, 2018 financial statements that were prepared by the Plan Administrator. The January 1, 2018 Actuarial Valuation was projected to January 1, 2019 for determination of the Plan's funded percentage and additional projections of later years were used to determine the Plan's solvency.

Anticipated future Plan contributions are based on 242,000 hours worked per year. It is assumed that participants exiting the Plan are replaced by new entrants. All other assumptions used along with the Plan Provisions reflected in this determination are summarized in the Plan's January 1, 2018 Actuarial Valuation Report.

Actuarial Certification

I hereby certify that the projection of the Plan's most recent Actuarial Valuation presents fairly the actuarial position of the Plan as of January 1, 2019. In my opinion, the assumptions used to determine the Plan's 2019 PPA funded status are individually reasonable based on Plan experience and represent my best estimate of anticipated future experience under the Plan. The projection of the January 1, 2018 Actuarial Valuation has been performed in accordance with generally accepted actuarial principles and practices and the undersigned meets the qualification standards of the American Academy of Actuaries necessary to render an actuarial opinion.

Respectfully submitted,



Jason C. Birkle, EA, MAAA, ASA
Enrollment Number: 17-07856

Cuni, Rust & Strenk
4555 Lake Forest Drive, Suite 620
Cincinnati, OH 45242
(513) 891-0270

March 29, 2019

Illustration Supporting 2018 Pension Protection Act of 2006 (PPA) Actuarial Certification of Funded Status

Plan Name: Composition Roofers Local No. 42 Pension Plan

EIN: 31-6127285

PN: 001

2019 PPA Funded Status = Critical and Declining.

2019 PPA Funded Percentage < 65%, Funding Deficiency in 2018, and Projected Insolvency in 2030.

1/ Plan Year	Actuarial Value of Assets (1)	PPA Accrued Liability (2)	PPA Funded % (1) / (2)	Prior 12/31 Credit Balance	Hourly Contribution Rate	Minimum Required Contribution (1)	Expected Hours Worked	Expected Contributions	Asset Return %
2018	\$26,405,030	\$50,475,736	52%	\$134,091	\$5.20	\$2,431,667	249,969	\$1,137,875	-4.7% Unaudited (2)
2019	\$24,320,330	\$50,447,340	48%	(\$1,254,681)	\$5.40	\$4,137,491	242,000	\$1,144,939	6.5% Projected
2020	\$22,155,074	\$50,375,170	44%	(\$2,955,927)	\$5.60	\$6,000,582	242,000	\$1,188,281	6.5% Projected
2021	\$20,515,888	\$50,136,064	41%	(\$4,774,290)	\$5.80	\$7,986,582	242,000	\$1,231,622	6.5% Projected
2022	\$18,774,926	\$49,818,297	38%	(\$6,715,562)	\$6.00	\$10,070,713	242,000	\$1,274,964	6.5% Projected
2023	\$16,538,859	\$49,363,051	34%	(\$8,754,965)	\$6.20	\$12,262,180	242,000	\$1,318,306	6.5% Projected
2024	\$14,739,457	\$48,811,653	30%	(\$10,901,704)	\$6.20	\$14,819,495	242,000	\$1,343,588	6.5% Projected
2025	\$12,824,294	\$48,202,600	27%	(\$13,432,928)	\$6.20	\$17,914,202	242,000	\$1,343,588	6.5% Projected
2026	\$10,743,229	\$47,470,794	23%	(\$16,527,635)	\$6.20	\$21,150,819	242,000	\$1,343,588	6.5% Projected
2027	\$8,490,230	\$46,625,551	18%	(\$19,764,252)	\$6.20	\$24,570,095	242,000	\$1,343,588	6.5% Projected
2028	\$6,072,045	\$45,674,661	13%	(\$23,183,528)	\$6.20	\$28,444,638	242,000	\$1,343,588	6.5% Projected
2029	\$3,510,700	\$44,666,726	8%	(\$27,058,071)	\$6.20	\$32,548,939	242,000	\$1,343,588	6.5% Projected
2030	\$812,732	\$43,620,621	2%	(\$31,162,372)	\$6.20	\$36,707,466	242,000	\$1,343,588	6.5% Projected

(1) January 1, 2018 Actuarial Valuation results.

(2) Estimated based on the Plan's December 31, 2018 financial statements.

**Application for Approval of Benefit Suspension for the
Composition Roofers Local 42 Pension Plan**

EXHIBIT B

PLAN ACTUARY'S SUPPLEMENTAL ACTUARIAL INFORMATION

**Composition Roofers Local 42
Pension Plan**

***Supplemental Actuarial Information
Suspension of Benefits Under the Multiemployer Pension Reform Act of 2014
Effective as of April 1, 2020***

CUNI, RUST & STRENK
ACTUARIAL CONSULTING

July 3, 2019

Board of Trustees
Composition Roofers Local 42 Pension Plan

Dear Trustees:

As requested, this Report provides the Supplemental Actuarial Information outlined in Revenue Procedure 2017-43 for submission of an application to suspend benefits under the Multiemployer Pension Reform Act of 2014 (MPRA). This information has been prepared based on our understanding of the Trustees' Pension Recovery Program effective April 1, 2020 submitted on behalf of the Composition Roofers Local 42 Pension Plan ("Plan") and IRC §432(e)(9).

The methods employed and the results developed are intended solely for the purpose of demonstrating that the proposed benefit suspensions outlined in the application are reasonably estimated to enable the Plan to avoid insolvency. The Plan provisions, assumptions and methods used in this application, except where otherwise stated, are summarized in Exhibit XIII. Determinations for purposes other than those expressly stated may be significantly different from the results shown in this Report.

The information presented in this Report is based on the Plan's participant data as of January 1, 2018 and unaudited financials, Reviewed by Independent Accountants, as of March 31, 2019. In preparing this Report, we have relied on the Plan Administrator and Plan Auditor's representations that the information that they have supplied is both accurate and complete. The expected contribution base units have been developed based on information provided by the Board of Trustees. If any of this information is inaccurate or incomplete, the results shown in this Report could materially change.

Pursuant to §432(e)(9)(C)(i) of the Code, I hereby certify that the Plan is projected to avoid insolvency within the meaning of §418E throughout the extended period of 30 years, taking into account the proposed benefit suspension and assuming that the proposed suspension continues indefinitely.

I hereby certify that the Plan's most recent Actuarial Valuation and Actuarial Certification of Plan Status fairly present the actuarial position of the Plan. In our opinion, the assumptions used to determine Plan liabilities and costs are individually reasonable based on Plan experience and represent our best estimate of anticipated future experience under the Plan. The projections and calculations shown in this Report have been performed in accordance with generally accepted actuarial principles and practices and the undersigned meet the qualification standards of the American Academy of Actuaries necessary to render an actuarial opinion.

Respectfully submitted,

CUNI, RUST & STRENK



Jason C. Birkle, EA, MAAA, ASA
Lead Actuary

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Composition Roofers Local 42 Pension Plan

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**Exhibit I: Past Experience for Certain Critical Assumptions
Composition Roofers Local 42 Pension Plan**

1/1 Plan Year	Total Contributions	Total Contribution Base Units	Average Contribution Rate	8/1 Hourly Contribution Rate	Withdrawal Liability Payments	Rate of Return on Plan Assets
2006	\$997,910	318,975	\$3.13	\$3.40	\$0	13.5%
2007	\$1,053,854	332,523	\$3.17	\$3.40	\$0	6.4%
2008	\$957,021	292,345	\$3.27	\$3.40	\$0	(28.7%)
2009	\$796,509	245,564	\$3.24	\$3.40	\$0	26.9%
2010	\$779,323	227,922	\$3.42	\$3.60	\$0	12.0%
2011	\$739,693	213,183	\$3.47	\$3.80	\$0	(2.5%)
2012	\$1,027,673	218,407	\$4.71	\$4.00	\$6,572	15.4%
2013	\$858,064	214,121	\$4.01	\$4.20	\$19,716	12.9%
2014	\$895,300	222,413	\$4.03	\$4.40	\$19,716	2.0%
2015	\$965,222	231,931	\$4.16	\$4.60	\$19,716	(4.2%)
2016	\$1,060,950	245,741	\$4.32	\$4.80	\$19,716	6.0%
2017	\$1,132,719	259,028	\$4.37	\$5.00	\$21,359	13.7%
2018	\$1,133,418*	248,990**	\$4.55	\$5.20	\$18,073	(4.7%)*

Average Base Unit Trend (2009-2018):	0.15%
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* Based on December 31, 2018 unaudited financial statements, Reviewed by Independent Accountants.

** Estimated based on Reviewed December 31, 2018 unaudited financial statements and Rehabilitation Plan.

Exhibit II: Development of Projected December 31, 2020 Market Value of Assets with Proposed Suspension Composition Roofers Local 42 Pension Plan

The table below shows the actual change in the Market Value of Assets from January 1, 2018 through March 31, 2019 and projects the Market Value of Assets from April 1, 2019 to December 31, 2020. The projection incorporates the following information:

- The Market Value of Assets as of January 1, 2018 is based on the financial statements as of that date from the Plan's Auditor. The Market Value of Assets as of January 1, 2019, and April 1, 2019 are based on the unaudited financial statements as of those dates, Reviewed by Independent Accountants.
- Cash flow items through March 31, 2019 are derived from the Reviewed unaudited financial statements.
- Estimated employer contributions from April 1, 2019 through December 31, 2020 are the total annual expected contributions (based on an hours assumption of 250,000). For the April 1, 2019 to December 31, 2019 period, these are reduced by the contributions already received between January 1, 2019 and March 31, 2019.
- Estimated benefit payments from April 1, 2019 through December 31, 2019 are the total expected regular benefit payments of \$3,664,035 for 2019, reduced by actual benefit payments already made between January 1, 2019 and March 31, 2019, adjusted for one-time net benefit corrections of \$55,593.
- Estimated benefit payments from January 1, 2020 to March 31, 2020 are one quarter of the benefit payments expected to be paid in 2020, if no suspension were to take place.
- Estimated benefit payments from April 1, 2020 to December 31, 2020 are three quarters of the benefit payments expected to be paid in 2020, if the benefits are suspended as defined in this Application.
- Estimated administrative expenses from April 1, 2019 through December 31, 2019 are based on the total expected administrative expenses for 2019 of \$400,000, reduced by the administrative expenses already incurred between January 1, 2019 and March 31, 2019.
- Estimated administrative expenses from January 1, 2020 through December 31, 2020 are based on total administrative expenses paid in 2018, increased by 1% per year for two years.

	January 1, 2018 to		January 1, 2019 to		April 1, 2019 to		January 1, 2020 to		April 1, 2020 to	
	December 31, 2018 ¹		March 31, 2019 ¹		December 31, 2019 ²		March 31, 2020 ²		December 31, 2020 ²	
1. Market Value of Assets (Beginning of Period)	\$26,053,645		\$22,362,057	\$	23,752,502	\$	22,598,582	\$	22,235,016	
2. Employer Contributions	1,133,418		224,681		958,108		306,891		920,672	
3. Withdrawal Liability Payments	0		0		0		0		0	
4. Benefit Payments	(3,449,227)		(924,677)		(2,795,324)		(943,716)		(2,013,549)	
5. Administrative Expenses	(215,232)		(65,207)		(334,793)		(54,890)		(164,668)	
6. Annualized Asset Return Percentage	(4.68%)		45.37%		6.03%		6.03%		6.48%	
7. Investment Returns	(1,160,547)		2,155,648		1,018,089		328,149		1,042,136	
8. Market Value of Assets (End of Period)	\$22,362,057		\$23,752,502		\$22,598,582		\$22,235,016		\$22,019,607	

¹ Based on unaudited financial statements, Reviewed by Independent Accountants.

² Projected

**Exhibit III: Projected Total Contribution Base Units and Average Contribution Rates
Composition Roofers Local 42 Pension Plan**

1/1 Plan Year	Total Contributions	Total Contribution Base Units	Average Contribution Rate	1/1 Plan Year	Total Contributions	Total Contribution Base Units	Average Contribution Rate
2017	\$1,132,719*	259,028	\$4.37	2037	\$1,388,004	250,000	\$5.55
2018	\$1,133,418**	248,990**	\$4.55	2038	\$1,388,004	250,000	\$5.55
2019	\$1,182,789	250,000	\$4.73	2039	\$1,388,004	250,000	\$5.55
2020	\$1,227,563	250,000	\$4.91	2040	\$1,388,004	250,000	\$5.55
2021	\$1,272,337	250,000	\$5.09	2041	\$1,388,004	250,000	\$5.55
2022	\$1,317,112	250,000	\$5.27	2042	\$1,388,004	250,000	\$5.55
2023	\$1,361,886	250,000	\$5.45	2043	\$1,388,004	250,000	\$5.55
2024	\$1,388,004	250,000	\$5.55	2044	\$1,388,004	250,000	\$5.55
2025	\$1,388,004	250,000	\$5.55	2045	\$1,388,004	250,000	\$5.55
2026	\$1,388,004	250,000	\$5.55	2046	\$1,388,004	250,000	\$5.55
2027	\$1,388,004	250,000	\$5.55	2047	\$1,388,004	250,000	\$5.55
2028	\$1,388,004	250,000	\$5.55	2048	\$1,388,004	250,000	\$5.55
2029	\$1,388,004	250,000	\$5.55	2049	\$1,388,004	250,000	\$5.55
2030	\$1,388,004	250,000	\$5.55	2050	\$1,388,004	250,000	\$5.55
2031	\$1,388,004	250,000	\$5.55	2051	\$1,388,004	250,000	\$5.55
2032	\$1,388,004	250,000	\$5.55	2052	\$1,388,004	250,000	\$5.55
2033	\$1,388,004	250,000	\$5.55	2053	\$1,388,004	250,000	\$5.55
2034	\$1,388,004	250,000	\$5.55	2054	\$1,388,004	250,000	\$5.55
2035	\$1,388,004	250,000	\$5.55	2055	\$1,388,004	250,000	\$5.55
2036	\$1,388,004	250,000	\$5.55				

* Contributions from the audited financial statements as of December 31, 2017.

** Based on December 31, 2018 unaudited financial statements, Reviewed by Independent Accountants.

Exhibit IV: Deterministic Projection of Current Plan without Proposed Suspension
Composition Roofers Local 42 Pension Plan

Projected Market Value of Assets and Solvency Ratio for the Plan Years beginning January 1, 2018 through December 31, 2030.

	2018	2019	2020	2021	2022	2023
1. Market Value at beginning of year	\$26,053,645	\$22,362,057	\$22,598,582	\$21,112,220	\$19,488,811	\$17,705,729
2. Contributions	1,133,418	1,182,789	1,227,563	1,272,337	1,317,112	1,361,886
3. Withdrawal liability payments *	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	3,276,113	3,415,723	3,313,335	3,263,524	3,210,396	3,153,666
b. Terminated vested participants	35,545	79,891	133,362	180,963	218,689	254,829
c. Current actives	137,569	224,387	328,165	419,004	536,963	629,000
d. New entrants	0	0	0	0	0	0
e. Total	3,449,227	3,720,001	3,774,862	3,863,491	3,966,048	4,037,495
5. Administrative expenses	215,232	400,000	219,558	221,754	223,971	226,211
6. Investment earnings	<u>(1,160,547)</u>	<u>3,173,737</u>	<u>1,280,495</u>	<u>1,189,499</u>	<u>1,089,825</u>	<u>981,446</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$22,362,057	\$22,598,582	\$21,112,220	\$19,488,811	\$17,705,729	\$15,785,355
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$25,811,284	\$26,318,583	\$24,887,082	\$23,352,302	\$21,671,777	\$19,822,850
9. Solvency Ratio: (8)÷(4e)	7.48	7.07	6.59	6.04	5.46	4.91
1. Market Value at beginning of year	\$15,785,355	\$13,739,971	\$11,518,977	\$9,116,993	\$6,541,791	\$3,817,409
2. Contributions	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	3,093,076	3,028,405	2,959,486	2,886,210	2,808,543	2,726,518
b. Terminated vested participants	289,446	326,294	366,666	401,438	428,534	452,099
c. Current actives	687,686	763,668	834,615	897,274	938,235	971,142
d. New entrants	88	411	1,408	2,483	3,810	5,473
e. Total	4,070,296	4,118,778	4,162,175	4,187,405	4,179,122	4,155,232
5. Administrative expenses	228,473	230,758	233,065	235,396	237,750	240,128
6. Investment earnings	<u>865,381</u>	<u>740,538</u>	<u>605,252</u>	<u>459,595</u>	<u>304,486</u>	<u>165,634</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$13,739,971	\$11,518,977	\$9,116,993	\$6,541,791	\$3,817,409	\$975,687
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$17,810,267	\$15,637,755	\$13,279,168	\$10,729,196	\$7,996,531	\$5,130,919
9. Solvency Ratio: (8)÷(4e)	4.38	3.80	3.19	2.56	1.91	1.23

* No assumed future withdrawals

Exhibit IV: Deterministic Projection of Current Plan without Proposed Suspension (continued)
Composition Roofers Local 42 Pension Plan

Projected Market Value of Assets and Solvency Ratio for the Plan Years beginning January 1, 2018 through December 31, 2030.

	2030
1. Market Value at beginning of year	\$975,687
2. Contributions	1,388,004
3. Withdrawal liability payments	0
4. Benefit payments	
a. Current retirees and beneficiaries	2,640,232
b. Terminated vested participants	469,192
c. Current actives	1,013,914
d. New entrants	7,406
e. Total	4,130,744
5. Administrative expenses	242,529
6. Investment earnings	0
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	Insolvent
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$2,121,162
9. Solvency Ratio: (8)÷(4e)	0.51

**Exhibit V: Deterministic Projection of Proposed Suspension
Composition Roofers Local 42 Pension Plan**

Projected Market Value of Assets and Solvency Ratio for the Plan Years beginning January 1, 2019 through December 31, 2050.

	2019 *	2020	2021	2022	2023	2024
1. Market Value at beginning of year	\$23,752,502	\$22,598,582	\$22,019,607	\$21,715,445	\$21,383,611	\$21,039,861
2. Contributions	958,108	1,227,563	1,272,337	1,317,112	1,361,886	1,388,004
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	2,563,212	2,636,647	2,370,910	2,328,246	2,282,879	2,234,621
b. Terminated vested participants	60,943	90,744	103,985	125,793	146,688	166,813
c. Current actives	171,169	229,874	253,222	324,351	382,067	421,134
d. New entrants	0	0	0	0	0	78
e. Total	2,795,324	2,957,265	2,728,117	2,778,390	2,811,634	2,822,646
5. Administrative expenses	334,793	219,558	221,754	223,971	226,211	228,473
6. Investment earnings	<u>1,018,089</u>	<u>1,370,285</u>	<u>1,373,372</u>	<u>1,353,415</u>	<u>1,332,209</u>	<u>1,310,344</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$22,598,582	\$22,019,607	\$21,715,445	\$21,383,611	\$21,039,861	\$20,687,090
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$26,318,583	\$24,976,872	\$24,443,562	\$24,162,001	\$23,851,495	\$23,509,736
9. Solvency Ratio: (8)÷(4e)	7.07 **	8.45	8.96	8.70	8.48	8.33
	2025	2026	2027	2028	2029	2030
1. Market Value at beginning of year	\$20,687,090	\$20,289,459	\$19,846,745	\$19,365,841	\$18,864,646	\$18,522,852
2. Contributions	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	2,183,336	2,128,934	2,071,392	2,010,761	1,947,153	1,880,748
b. Terminated vested participants	188,368	211,912	232,804	249,521	263,796	274,525
c. Current actives	469,611	515,989	558,498	588,248	613,836	646,036
d. New entrants	367	1,258	2,277	3,552	5,159	7,031
e. Total	2,841,682	2,858,093	2,864,971	2,852,082	2,829,944	2,808,340
5. Administrative expenses	230,758	233,065	235,396	237,750	240,128	242,529
6. Investment earnings	<u>1,286,805</u>	<u>1,260,440</u>	<u>1,231,459</u>	<u>1,200,633</u>	<u>1,340,274</u>	<u>1,315,580</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$20,289,459	\$19,846,745	\$19,365,841	\$18,864,646	\$18,522,852	\$18,175,567
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$23,131,141	\$22,704,838	\$22,230,812	\$21,716,728	\$21,352,796	\$20,983,907
9. Solvency Ratio: (8)÷(4e)	8.14	7.94	7.76	7.61	7.55	7.47

* As required under revenue procedure 2017-43 3.02, the initial period shown here begins on the first day of the calendar quarter in which the application is submitted (April 1, 2019) and ends with the last day of the plan year that includes that first day (December 31, 2019).

** Calculated based on the annual information shown in Exhibit II.

Exhibit V: Deterministic Projection of Proposed Suspension (continued)

Composition Roofers Local 42 Pension Plan

Projected Market Value of Assets and Solvency Ratio for the Plan Years beginning January 1, 2019 through December 31, 2050.

	2031	2032	2033	2034	2035	2036
1. Market Value at beginning of year	\$18,175,567	\$17,831,591	\$17,495,893	\$17,167,317	\$16,846,883	\$16,538,260
2. Contributions	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	1,811,772	1,740,483	1,667,170	1,592,145	1,515,708	1,438,153
b. Terminated vested participants	285,253	294,018	303,186	312,502	321,009	329,122
c. Current actives	671,460	695,969	722,589	749,112	774,061	798,223
d. New entrants	9,341	12,263	16,378	21,656	27,748	34,749
e. Total	2,777,826	2,742,733	2,709,323	2,675,415	2,638,526	2,600,247
5. Administrative expenses	244,954	247,404	249,878	252,376	254,900	257,449
6. Investment earnings	<u>1,290,800</u>	<u>1,266,435</u>	<u>1,242,621</u>	<u>1,219,353</u>	<u>1,196,799</u>	<u>1,175,171</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$17,831,591	\$17,495,893	\$17,167,317	\$16,846,883	\$16,538,260	\$16,243,739
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$20,609,417	\$20,238,626	\$19,876,640	\$19,522,298	\$19,176,786	\$18,843,986
9. Solvency Ratio: (8)÷(4e)	7.42	7.38	7.34	7.30	7.27	7.25
	2037	2038	2039	2040	2041	2042
1. Market Value at beginning of year	\$16,243,739	\$15,973,285	\$15,739,488	\$15,540,637	\$15,375,549	\$15,245,163
2. Contributions	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	1,359,783	1,280,920	1,201,906	1,123,083	1,044,818	967,479
b. Terminated vested participants	333,258	334,665	336,035	337,098	335,944	333,694
c. Current actives	817,410	826,975	839,556	854,981	872,354	887,809
d. New entrants	42,890	53,426	65,388	78,241	92,293	107,628
e. Total	2,553,341	2,495,986	2,442,885	2,393,403	2,345,409	2,296,610
5. Administrative expenses	260,024	262,624	265,250	267,903	270,582	273,288
6. Investment earnings	<u>1,154,907</u>	<u>1,136,809</u>	<u>1,121,280</u>	<u>1,108,214</u>	<u>1,097,601</u>	<u>1,089,595</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$15,973,285	\$15,739,488	\$15,540,637	\$15,375,549	\$15,245,163	\$15,152,864
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$18,526,626	\$18,235,474	\$17,983,522	\$17,768,952	\$17,590,572	\$17,449,474
9. Solvency Ratio: (8)÷(4e)	7.26	7.31	7.36	7.42	7.50	7.60

Exhibit V: Deterministic Projection of Proposed Suspension (continued)

Composition Roofers Local 42 Pension Plan

Projected Market Value of Assets and Solvency Ratio for the Plan Years beginning January 1, 2019 through December 31, 2050.

	2043	2044	2045	2046	2047	2048
1. Market Value at beginning of year	\$15,152,864	\$15,105,993	\$15,109,371	\$15,165,908	\$15,279,874	\$15,454,872
2. Contributions	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	891,474	817,223	745,128	675,562	608,867	545,358
b. Terminated vested participants	328,797	323,000	316,699	309,378	300,768	291,365
c. Current actives	897,611	902,899	906,326	906,364	903,956	900,669
d. New entrants	125,550	145,710	166,846	189,524	213,679	240,853
e. Total	2,243,432	2,188,832	2,134,999	2,080,828	2,027,270	1,978,245
5. Administrative expenses	276,020	278,781	281,568	284,384	287,228	290,100
6. Investment earnings	<u>1,084,577</u>	<u>1,082,987</u>	<u>1,085,100</u>	<u>1,091,174</u>	<u>1,101,492</u>	<u>1,116,178</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$15,105,993	\$15,109,371	\$15,165,908	\$15,279,874	\$15,454,872	\$15,690,709
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$17,349,425	\$17,298,203	\$17,300,907	\$17,360,702	\$17,482,142	\$17,668,954
9. Solvency Ratio: (8)÷(4e)	7.73	7.90	8.10	8.34	8.62	8.93
2049						
1. Market Value at beginning of year	\$15,690,709	\$15,990,927				
2. Contributions	1,388,004	1,388,004				
3. Withdrawal liability payments	0	0				
4. Benefit payments						
a. Current retirees and beneficiaries	485,337	429,093				
b. Terminated vested participants	280,775	269,726				
c. Current actives	892,892	880,009				
d. New entrants	271,131	302,402				
e. Total	1,930,135	1,881,230				
5. Administrative expenses	293,001	295,931				
6. Investment earnings	<u>1,135,350</u>	<u>1,159,333</u>				
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$15,990,927	\$16,361,103				
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$17,921,062	\$18,242,333				
9. Solvency Ratio: (8)÷(4e)	9.28	9.70				

**Exhibit VI: Deterministic Projection of Similar but Smaller Proposed Suspension
Composition Roofers Local 42 Pension Plan**

Projected Market Value of Assets and Solvency Ratio for the Plan Years beginning January 1, 2019 through December 31, 2050.

	2019 *	2020	2021	2022	2023	2024
1. Market Value at beginning of year	\$23,752,502	\$22,598,582	\$21,970,785	\$21,595,366	\$21,184,835	\$20,755,187
2. Contributions	958,108	1,227,563	1,272,337	1,317,112	1,361,886	1,388,004
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	2,563,212	2,676,825	2,423,900	2,380,606	2,334,553	2,285,554
b. Terminated vested participants	60,943	92,950	107,975	130,614	152,305	173,190
c. Current actives	171,169	235,176	262,231	335,895	395,536	435,774
d. New entrants	0	0	0	0	0	79
e. Total	2,795,324	3,004,951 ***	2,794,106	2,847,115	2,882,394	2,894,597
5. Administrative expenses	334,793	219,558	221,754	223,971	226,211	228,473
6. Investment earnings	<u>1,018,089</u>	<u>1,369,149</u>	1,368,104	1,343,443	1,317,071	1,289,603
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$22,598,582	\$21,970,785	\$21,595,366	\$21,184,835	\$20,755,187	\$20,309,724
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$26,318,583	\$24,975,736	\$24,389,472	\$24,031,950	\$23,637,581	\$23,204,321
9. Solvency Ratio: (8)÷(4e)	7.07 **	8.31	8.73	8.44	8.20	8.02
	2025	2026	2027	2028	2029	2030
1. Market Value at beginning of year	\$20,309,724	\$19,811,784	\$19,260,783	\$18,663,533	\$18,038,163	\$17,556,003
2. Contributions	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	2,233,461	2,178,183	2,119,694	2,058,039	1,993,326	1,925,728
b. Terminated vested participants	195,555	219,989	241,641	258,943	273,730	284,825
c. Current actives	485,805	533,598	577,299	607,765	633,887	666,786
d. New entrants	371	1,268	2,290	3,569	5,180	7,057
e. Total	2,915,192	2,933,038	2,940,924	2,928,316	2,906,123	2,884,396
5. Administrative expenses	230,758	233,065	235,396	237,750	240,128	242,529
6. Investment earnings	1,260,006	1,227,098	1,191,066	1,152,692	1,276,087	1,240,968
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$19,811,784	\$19,260,783	\$18,663,533	\$18,038,163	\$17,556,003	\$17,058,050
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$22,726,976	\$22,193,821	\$21,604,457	\$20,966,479	\$20,462,126	\$19,942,446
9. Solvency Ratio: (8)÷(4e)	7.80	7.57	7.35	7.16	7.04	6.91

* As required under revenue procedure 2017-43 3.02, the initial period shown here begins on the first day of the calendar quarter in which the application is submitted (April 1, 2019) and ends with the last day of the plan year that includes that first day (December 31, 2019).

** Calculated based on the annual information shown in Exhibit II.

*** Estimated benefit payments from April 1, 2020 to December 31, 2020 are three quarters of the benefit payments expected to be paid in the 2020 Plan Year, if the benefits are suspended as defined in this Application and applying the statutory requirement under §432(c)(9)(D)(iv).

Exhibit VI: Deterministic Projection of Similar but Smaller Proposed Suspension (continued)
Composition Roofers Local 42 Pension Plan

Projected Market Value of Assets and Solvency Ratio for the Plan Years beginning January 1, 2019 through December 31, 2050.

	2031	2032	2033	2034	2035	2036
1. Market Value at beginning of year	\$17,058,050	\$16,552,662	\$16,044,240	\$15,530,926	\$15,012,886	\$14,493,081
2. Contributions	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	1,855,472	1,782,812	1,708,038	1,631,460	1,553,384	1,474,107
b. Terminated vested participants	295,924	305,003	314,492	324,125	332,913	341,293
c. Current actives	692,681	717,584	744,546	771,467	796,700	821,100
d. New entrants	9,371	12,298	16,421	21,709	27,808	34,817
e. Total	2,853,448	2,817,697	2,783,497	2,748,761	2,710,805	2,671,317
5. Administrative expenses	244,954	247,404	249,878	252,376	254,900	257,449
6. Investment earnings	1,205,010	1,168,675	1,132,057	1,095,093	1,057,896	1,020,622
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$16,552,662	\$16,044,240	\$15,530,926	\$15,012,886	\$14,493,081	\$13,972,941
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$19,406,110	\$18,861,937	\$18,314,423	\$17,761,647	\$17,203,886	\$16,644,258
9. Solvency Ratio: (8)÷(4e)	6.80	6.69	6.58	6.46	6.35	6.23
	2037	2038	2039	2040	2041	2042
1. Market Value at beginning of year	\$13,972,941	\$13,461,732	\$12,971,255	\$12,498,657	\$12,041,497	\$11,599,456
2. Contributions	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	1,393,937	1,313,213	1,232,280	1,151,500	1,071,253	991,925
b. Terminated vested participants	345,556	346,996	348,410	349,517	348,314	345,974
c. Current actives	840,379	849,865	862,373	877,755	895,101	910,512
d. New entrants	42,968	53,517	65,493	78,359	92,425	107,772
e. Total	2,622,840	2,563,591	2,508,556	2,457,131	2,407,093	2,356,183
5. Administrative expenses	260,024	262,624	265,250	267,903	270,582	273,288
6. Investment earnings	983,651	947,734	913,204	879,870	847,630	816,546
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$13,461,732	\$12,971,255	\$12,498,657	\$12,041,497	\$11,599,456	\$11,174,535
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$16,084,572	\$15,534,846	\$15,007,213	\$14,498,628	\$14,006,549	\$13,530,718
9. Solvency Ratio: (8)÷(4e)	6.13	6.06	5.98	5.90	5.82	5.74

Exhibit VI: Deterministic Projection of Similar but Smaller Proposed Suspension (continued)
Composition Roofers Local 42 Pension Plan

Projected Market Value of Assets and Solvency Ratio for the Plan Years beginning January 1, 2019 through December 31, 2050.

	2043	2044	2045	2046	2047	2048
1. Market Value at beginning of year	\$11,174,535	\$10,772,779	\$10,397,479	\$10,049,808	\$9,732,167	\$9,446,120
2. Contributions	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	913,940	837,738	763,738	692,327	623,863	558,671
b. Terminated vested participants	340,887	334,863	328,317	320,712	311,766	301,998
c. Current actives	920,102	925,064	928,110	927,719	924,862	921,087
d. New entrants	125,711	145,891	167,043	189,738	213,910	241,105
e. Total	2,300,640	2,243,556	2,187,208	2,130,496	2,074,401	2,022,861
5. Administrative expenses	276,020	278,781	281,568	284,384	287,228	290,100
6. Investment earnings	786,900	759,033	733,101	709,235	687,578	668,100
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$10,772,779	\$10,397,479	\$10,049,808	\$9,732,167	\$9,446,120	\$9,189,263
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$13,073,419	\$12,641,035	\$12,237,016	\$11,862,663	\$11,520,521	\$11,212,124
9. Solvency Ratio: (8)÷(4e)	5.68	5.63	5.59	5.57	5.55	5.54
2049						
1. Market Value at beginning of year	\$9,189,263	\$8,962,836				
2. Contributions	1,388,004	1,388,004				
3. Withdrawal liability payments	0	0				
4. Benefit payments						
a. Current retirees and beneficiaries	497,063	439,342				
b. Terminated vested participants	290,996	279,518				
c. Current actives	912,721	899,177				
d. New entrants	271,408	302,699				
e. Total	1,972,188	1,920,736				
5. Administrative expenses	293,001	295,931				
6. Investment earnings	650,758	635,706				
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$8,962,836	\$8,769,879				
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$10,935,024	\$10,690,615				
9. Solvency Ratio: (8)÷(4e)	5.54	5.57				

**Exhibit VII: Deterministic Projection of Proposed Suspension
Composition Roofers Local 42 Pension Plan**

Assuming 1.00% Lower Annual Rate of Return

Projected Market Value of Assets and Solvency Ratio for the Plan Years beginning January 1, 2019 through December 31, 2049.

	2019 *	2020	2021	2022	2023	2024
1. Market Value at beginning of year	\$23,752,502	\$22,430,694	\$21,627,279	\$21,089,569	\$20,514,468	\$19,917,393
2. Contributions	958,108	1,227,563	1,272,337	1,317,112	1,361,886	1,388,004
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	2,563,212	2,636,647	2,370,910	2,328,246	2,282,879	2,234,621
b. Terminated vested participants	60,943	90,744	103,985	125,793	146,688	166,813
c. Current actives	171,169	229,874	253,222	324,351	382,067	421,134
d. New entrants	0	0	0	0	0	78
e. Total	2,795,324	2,957,265	2,728,117	2,778,390	2,811,634	2,822,646
5. Administrative expenses	334,793	219,558	221,754	223,971	226,211	228,473
6. Investment earnings	<u>850,201</u>	<u>1,145,845</u>	<u>1,139,824</u>	<u>1,110,148</u>	<u>1,078,884</u>	<u>1,046,511</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$22,430,694	\$21,627,279	\$21,089,569	\$20,514,468	\$19,917,393	\$19,300,789
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$26,150,695	\$24,584,544	\$23,817,686	\$23,292,858	\$22,729,027	\$22,123,435
9. Solvency Ratio: (8)÷(4e)	7.03 **	8.31	8.73	8.38	8.08	7.84
	2025	2026	2027	2028	2029	2030
1. Market Value at beginning of year	\$19,300,789	\$18,628,498	\$17,900,142	\$17,122,413	\$16,312,885	\$15,626,500
2. Contributions	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	2,183,336	2,128,934	2,071,392	2,010,761	1,947,153	1,880,748
b. Terminated vested participants	188,368	211,912	232,804	249,521	263,796	274,525
c. Current actives	469,611	515,989	558,498	588,248	613,836	646,036
d. New entrants	367	1,258	2,277	3,552	5,159	7,031
e. Total	2,841,682	2,858,093	2,864,971	2,852,082	2,829,944	2,808,340
5. Administrative expenses	230,758	233,065	235,396	237,750	240,128	242,529
6. Investment earnings	<u>1,012,145</u>	<u>974,798</u>	<u>934,634</u>	<u>892,300</u>	<u>995,683</u>	<u>952,156</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$18,628,498	\$17,900,142	\$17,122,413	\$16,312,885	\$15,626,500	\$14,915,791
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$21,470,180	\$20,758,235	\$19,987,384	\$19,164,967	\$18,456,444	\$17,724,131
9. Solvency Ratio: (8)÷(4e)	7.56	7.26	6.98	6.72	6.52	6.31

* As required under revenue procedure 2017-43 3.02, the initial period shown here begins on the first day of the calendar quarter in which the application is submitted (April 1, 2019) and ends with the last day of the plan year that includes that first day (December 31, 2019).

** Calculated based on the annual information shown in Exhibit II.

Exhibit VII: Deterministic Projection of Proposed Suspension (continued)

Composition Roofers Local 42 Pension Plan

Assuming 1.00% Lower Annual Rate of Return

Projected Market Value of Assets and Solvency Ratio for the Plan Years beginning January 1, 2019 through December 31, 2049.

	2031	2032	2033	2034	2035	2036
1. Market Value at beginning of year	\$14,915,791	\$14,188,361	\$13,447,834	\$12,691,606	\$11,919,156	\$11,132,490
2. Contributions	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	1,811,772	1,740,483	1,667,170	1,592,145	1,515,708	1,438,153
b. Terminated vested participants	285,253	294,018	303,186	312,502	321,009	329,122
c. Current actives	671,460	695,969	722,589	749,112	774,061	798,223
d. New entrants	9,341	12,263	16,378	21,656	27,748	34,749
e. Total	2,777,826	2,742,733	2,709,323	2,675,415	2,638,526	2,600,247
5. Administrative expenses	244,954	247,404	249,878	252,376	254,900	257,449
6. Investment earnings	<u>907,346</u>	<u>861,606</u>	<u>814,969</u>	<u>767,337</u>	<u>718,756</u>	<u>669,304</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$14,188,361	\$13,447,834	\$12,691,606	\$11,919,156	\$11,132,490	\$10,332,102
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$16,966,187	\$16,190,567	\$15,400,929	\$14,594,571	\$13,771,016	\$12,932,349
9. Solvency Ratio: (8)÷(4e)	6.11	5.90	5.68	5.46	5.22	4.97
	2037	2038	2039	2040	2041	2042
1. Market Value at beginning of year	\$10,332,102	\$9,525,984	\$8,724,521	\$7,923,595	\$7,119,482	\$6,310,413
2. Contributions	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	1,359,783	1,280,920	1,201,906	1,123,083	1,044,818	967,479
b. Terminated vested participants	333,258	334,665	336,035	337,098	335,944	333,694
c. Current actives	817,410	826,975	839,556	854,981	872,354	887,809
d. New entrants	42,890	53,426	65,388	78,241	92,293	107,628
e. Total	2,553,341	2,495,986	2,442,885	2,393,403	2,345,409	2,296,610
5. Administrative expenses	260,024	262,624	265,250	267,903	270,582	273,288
6. Investment earnings	<u>619,243</u>	<u>569,143</u>	<u>519,205</u>	<u>469,189</u>	<u>418,918</u>	<u>368,354</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$9,525,984	\$8,724,521	\$7,923,595	\$7,119,482	\$6,310,413	\$5,496,873
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$12,079,325	\$11,220,507	\$10,366,480	\$9,512,885	\$8,655,822	\$7,793,483
9. Solvency Ratio: (8)÷(4e)	4.73	4.50	4.24	3.97	3.69	3.39

Exhibit VII: Deterministic Projection of Proposed Suspension (continued)

Composition Roofers Local 42 Pension Plan

Assuming 1.00% Lower Annual Rate of Return

Projected Market Value of Assets and Solvency Ratio for the Plan Years beginning January 1, 2019 through December 31, 2049.

	2043	2044	2045	2046	2047	2048
1. Market Value at beginning of year	\$5,496,873	\$4,683,064	\$3,870,408	\$3,058,159	\$2,246,662	\$1,435,306
2. Contributions	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	891,474	817,223	745,128	675,562	608,867	545,358
b. Terminated vested participants	328,797	323,000	316,699	309,378	300,768	291,365
c. Current actives	897,611	902,899	906,326	906,364	903,956	900,669
d. New entrants	125,550	145,710	166,846	189,524	213,679	240,853
e. Total	2,243,432	2,188,832	2,134,999	2,080,828	2,027,270	1,978,245
5. Administrative expenses	276,020	278,781	281,568	284,384	287,228	290,100
6. Investment earnings	317,639	266,953	216,314	165,711	115,138	64,428
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$4,683,064	\$3,870,408	\$3,058,159	\$2,246,662	\$1,435,306	\$619,393
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$6,926,496	\$6,059,240	\$5,193,158	\$4,327,490	\$3,462,576	\$2,597,638
9. Solvency Ratio: (8)÷(4e)	3.09	2.77	2.43	2.08	1.71	1.31
2049						
1. Market Value at beginning of year	\$619,393					
2. Contributions	1,388,004					
3. Withdrawal liability payments	0					
4. Benefit payments						
a. Current retirees and beneficiaries	485,337					
b. Terminated vested participants	280,775					
c. Current actives	892,892					
d. New entrants	271,131					
e. Total	1,930,135					
5. Administrative expenses	293,001					
6. Investment earnings	13,397					
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	Insolvent					
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$1,727,793					
9. Solvency Ratio: (8)÷(4e)	0.90					

**Exhibit VIII: Deterministic Projection of Proposed Suspension
Composition Roofers Local 42 Pension Plan**

Assuming 2.00% Lower Annual Rate of Return

Projected Market Value of Assets and Solvency Ratio for the Plan Years beginning January 1, 2019 through December 31, 2041.

	2019 *	2020	2021	2022	2023	2024
1. Market Value at beginning of year	\$23,752,502	\$22,262,435	\$21,237,955	\$20,474,717	\$19,669,399	\$18,837,499
2. Contributions	958,108	1,227,563	1,272,337	1,317,112	1,361,886	1,388,004
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	2,563,212	2,636,647	2,370,910	2,328,246	2,282,879	2,234,621
b. Terminated vested participants	60,943	90,744	103,985	125,793	146,688	166,813
c. Current actives	171,169	229,874	253,222	324,351	382,067	421,134
d. New entrants	0	0	0	0	0	78
e. Total	2,795,324	2,957,265	2,728,117	2,778,390	2,811,634	2,822,646
5. Administrative expenses	334,793	219,558	221,754	223,971	226,211	228,473
6. Investment earnings	<u>681,942</u>	<u>924,780</u>	<u>914,296</u>	<u>879,931</u>	<u>844,059</u>	<u>807,074</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$22,262,435	\$21,237,955	\$20,474,717	\$19,669,399	\$18,837,499	\$17,981,458
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$25,982,436	\$24,195,220	\$23,202,834	\$22,447,789	\$21,649,133	\$20,804,104
9. Solvency Ratio: (8)÷(4e)	6.98 **	8.18	8.51	8.08	7.70	7.37
1. Market Value at beginning of year	\$17,981,458	\$17,065,273	\$16,088,910	\$15,059,394	\$13,994,523	\$13,027,294
2. Contributions	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	2,183,336	2,128,934	2,071,392	2,010,761	1,947,153	1,880,748
b. Terminated vested participants	188,368	211,912	232,804	249,521	263,796	274,525
c. Current actives	469,611	515,989	558,498	588,248	613,836	646,036
d. New entrants	367	1,258	2,277	3,552	5,159	7,031
e. Total	2,841,682	2,858,093	2,864,971	2,852,082	2,829,944	2,808,340
5. Administrative expenses	230,758	233,065	235,396	237,750	240,128	242,529
6. Investment earnings	<u>768,251</u>	<u>726,791</u>	<u>682,847</u>	<u>636,957</u>	<u>714,839</u>	<u>662,832</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$17,065,273	\$16,088,910	\$15,059,394	\$13,994,523	\$13,027,294	\$12,027,261
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$19,906,955	\$18,947,003	\$17,924,365	\$16,846,605	\$15,857,238	\$14,835,601
9. Solvency Ratio: (8)÷(4e)	7.01	6.63	6.26	5.91	5.60	5.28

* As required under revenue procedure 2017-43 3.02, the initial period shown here begins on the first day of the calendar quarter in which the application is submitted (April 1, 2019) and ends with the last day of the plan year that includes that first day (December 31, 2019).

** Calculated based on the annual information shown in Exhibit II.

Exhibit VIII: Deterministic Projection of Proposed Suspension (continued)

Composition Roofers Local 42 Pension Plan

Assuming 2.00% Lower Annual Rate of Return

Projected Market Value of Assets and Solvency Ratio for the Plan Years beginning January 1, 2019 through December 31, 2041.

	2031	2032	2033	2034	2035	2036
1. Market Value at beginning of year	\$12,027,261	\$11,001,768	\$9,954,108	\$8,881,326	\$7,782,542	\$6,659,379
2. Contributions	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	1,811,772	1,740,483	1,667,170	1,592,145	1,515,708	1,438,153
b. Terminated vested participants	285,253	294,018	303,186	312,502	321,009	329,122
c. Current actives	671,460	695,969	722,589	749,112	774,061	798,223
d. New entrants	9,341	12,263	16,378	21,656	27,748	34,749
e. Total	2,777,826	2,742,733	2,709,323	2,675,415	2,638,526	2,600,247
5. Administrative expenses	244,954	247,404	249,878	252,376	254,900	257,449
6. Investment earnings	<u>609,283</u>	<u>554,473</u>	<u>498,415</u>	<u>441,003</u>	<u>382,259</u>	<u>322,230</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$11,001,768	\$9,954,108	\$8,881,326	\$7,782,542	\$6,659,379	\$5,511,917
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$13,779,594	\$12,696,841	\$11,590,649	\$10,457,957	\$9,297,905	\$8,112,164
9. Solvency Ratio: (8)÷(4e)	4.96	4.63	4.28	3.91	3.52	3.12
	2037	2038	2039	2040	2041	
1. Market Value at beginning of year	\$5,511,917	\$4,347,666	\$3,176,418	\$1,993,399	\$794,226	
2. Contributions	1,388,004	1,388,004	1,388,004	1,388,004	1,388,004	
3. Withdrawal liability payments	0	0	0	0	0	
4. Benefit payments						
a. Current retirees and beneficiaries	1,359,783	1,280,920	1,201,906	1,123,083	1,044,818	
b. Terminated vested participants	333,258	334,665	336,035	337,098	335,944	
c. Current actives	817,410	826,975	839,556	854,981	872,354	
d. New entrants	42,890	53,426	65,388	78,241	92,293	
e. Total	2,553,341	2,495,986	2,442,885	2,393,403	2,345,409	
5. Administrative expenses	260,024	262,624	265,250	267,903	270,582	
6. Investment earnings	<u>261,110</u>	<u>199,358</u>	<u>137,112</u>	<u>74,129</u>	<u>10,227</u>	
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$4,347,666	\$3,176,418	\$1,993,399	\$794,226	Insolvent	
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$6,901,007	\$5,672,404	\$4,436,284	\$3,187,629	\$1,921,875	
9. Solvency Ratio: (8)÷(4e)	2.70	2.27	1.82	1.33	0.82	

**Exhibit IX: Deterministic Projection of Proposed Suspension
Composition Roofers Local 42 Pension Plan**

Assuming Positive 0.14% Trend in Annual Contribution Base Units

Projected Market Value of Assets and Solvency Ratio for the Plan Years beginning January 1, 2019 through December 31, 2050.

	2019 *	2020	2021	2022	2023	2024
1. Market Value at beginning of year	\$23,752,502	\$22,599,942	\$22,024,857	\$21,726,952	\$21,404,037	\$21,072,182
2. Contributions	959,439	1,231,248	1,278,071	1,325,032	1,372,131	1,400,543
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	2,563,212	2,636,647	2,370,910	2,328,246	2,282,879	2,234,621
b. Terminated vested participants	60,943	90,744	103,985	125,793	146,688	166,813
c. Current actives	171,169	229,874	253,222	324,351	382,067	421,134
d. New entrants	0	0	0	0	0	78
e. Total	2,795,324	2,957,265	2,728,117	2,778,390	2,811,634	2,822,646
5. Administrative expenses	334,793	219,558	221,754	223,971	226,211	228,473
6. Investment earnings	<u>1,018,118</u>	<u>1,370,490</u>	<u>1,373,895</u>	<u>1,354,414</u>	<u>1,333,859</u>	<u>1,312,838</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$22,599,942	\$22,024,857	\$21,726,952	\$21,404,037	\$21,072,182	\$20,734,444
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$26,319,943	\$24,982,122	\$24,455,069	\$24,182,427	\$23,883,816	\$23,557,090
9. Solvency Ratio: (8)÷(4e)	7.08 **	8.45	8.96	8.70	8.49	8.35
	2025	2026	2027	2028	2029	2030
1. Market Value at beginning of year	\$20,734,444	\$20,354,988	\$19,933,798	\$19,477,988	\$19,005,689	\$18,698,291
2. Contributions	1,402,644	1,404,748	1,406,855	1,408,965	1,411,079	1,413,195
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	2,183,336	2,128,934	2,071,392	2,010,761	1,947,153	1,880,748
b. Terminated vested participants	188,368	211,912	232,804	249,521	263,796	274,525
c. Current actives	469,611	515,989	558,498	588,248	613,836	646,036
d. New entrants	367	1,258	2,277	3,552	5,159	7,031
e. Total	2,841,682	2,858,093	2,864,971	2,852,082	2,829,944	2,808,340
5. Administrative expenses	230,758	233,065	235,396	237,750	240,128	242,529
6. Investment earnings	<u>1,290,340</u>	<u>1,265,220</u>	<u>1,237,702</u>	<u>1,208,568</u>	<u>1,351,595</u>	<u>1,329,534</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$20,354,988	\$19,933,798	\$19,477,988	\$19,005,689	\$18,698,291	\$18,390,151
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$23,196,670	\$22,791,891	\$22,342,959	\$21,857,771	\$21,528,235	\$21,198,491
9. Solvency Ratio: (8)÷(4e)	8.16	7.97	7.80	7.66	7.61	7.55

* As required under revenue procedure 2017-43 3.02, the initial period shown here begins on the first day of the calendar quarter in which the application is submitted (April 1, 2019) and ends with the last day of the plan year that includes that first day (December 31, 2019).

** Calculated based on the annual information shown in Exhibit II.

Exhibit IX: Deterministic Projection of Proposed Suspension (continued)

Composition Roofers Local 42 Pension Plan

Assuming Positive 0.14% Trend in Annual Contribution Base Units

Projected Market Value of Assets and Solvency Ratio for the Plan Years beginning January 1, 2019 through December 31, 2050.

	2031	2032	2033	2034	2035	2036
1. Market Value at beginning of year	\$18,390,151	\$18,090,427	\$17,804,468	\$17,531,531	\$17,273,076	\$17,033,248
2. Contributions	1,415,315	1,417,438	1,419,564	1,421,693	1,423,826	1,425,962
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	1,811,772	1,740,483	1,667,170	1,592,145	1,515,708	1,438,153
b. Terminated vested participants	285,253	294,018	303,186	312,502	321,009	329,122
c. Current actives	671,460	695,969	722,589	749,112	774,061	798,223
d. New entrants	9,341	12,263	16,378	21,656	27,748	34,749
e. Total	2,777,826	2,742,733	2,709,323	2,675,415	2,638,526	2,600,247
5. Administrative expenses	244,954	247,404	249,878	252,376	254,900	257,449
6. Investment earnings	<u>1,307,741</u>	<u>1,286,740</u>	<u>1,266,700</u>	<u>1,247,643</u>	<u>1,229,772</u>	<u>1,213,334</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$18,090,427	\$17,804,468	\$17,531,531	\$17,273,076	\$17,033,248	\$16,814,848
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$20,868,253	\$20,547,201	\$20,240,854	\$19,948,491	\$19,671,774	\$19,415,095
9. Solvency Ratio: (8)÷(4e)	7.51	7.49	7.47	7.46	7.46	7.47
	2037	2038	2039	2040	2041	2042
1. Market Value at beginning of year	\$16,814,848	\$16,628,387	\$16,487,044	\$16,389,739	\$16,335,970	\$16,327,404
2. Contributions	1,428,101	1,430,243	1,432,388	1,434,537	1,436,689	1,438,844
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	1,359,783	1,280,920	1,201,906	1,123,083	1,044,818	967,479
b. Terminated vested participants	333,258	334,665	336,035	337,098	335,944	333,694
c. Current actives	817,410	826,975	839,556	854,981	872,354	887,809
d. New entrants	42,890	53,426	65,388	78,241	92,293	107,628
e. Total	2,553,341	2,495,986	2,442,885	2,393,403	2,345,409	2,296,610
5. Administrative expenses	260,024	262,624	265,250	267,903	270,582	273,288
6. Investment earnings	<u>1,198,803</u>	<u>1,187,024</u>	<u>1,178,442</u>	<u>1,173,000</u>	<u>1,170,736</u>	<u>1,171,861</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$16,628,387	\$16,487,044	\$16,389,739	\$16,335,970	\$16,327,404	\$16,368,211
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$19,181,728	\$18,983,030	\$18,832,624	\$18,729,373	\$18,672,813	\$18,664,821
9. Solvency Ratio: (8)÷(4e)	7.51	7.61	7.71	7.83	7.96	8.13

Exhibit IX: Deterministic Projection of Proposed Suspension (continued)
Composition Roofers Local 42 Pension Plan

Assuming Positive 0.14% Trend in Annual Contribution Base Units

Projected Market Value of Assets and Solvency Ratio for the Plan Years beginning January 1, 2019 through December 31, 2050.

	2043	2044	2045	2046	2047	2048
1. Market Value at beginning of year	\$16,368,211	\$16,466,572	\$16,628,212	\$16,857,014	\$17,158,292	\$17,536,770
2. Contributions	1,441,002	1,443,163	1,445,328	1,447,496	1,449,667	1,451,842
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	891,474	817,223	745,128	675,562	608,867	545,358
b. Terminated vested participants	328,797	323,000	316,699	309,378	300,768	291,365
c. Current actives	897,611	902,899	906,326	906,364	903,956	900,669
d. New entrants	125,550	145,710	166,846	189,524	213,679	240,853
e. Total	2,243,432	2,188,832	2,134,999	2,080,828	2,027,270	1,978,245
5. Administrative expenses	276,020	278,781	281,568	284,384	287,228	290,100
6. Investment earnings	<u>1,176,811</u>	<u>1,186,090</u>	<u>1,200,041</u>	<u>1,218,994</u>	<u>1,243,309</u>	<u>1,273,192</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$16,466,572	\$16,628,212	\$16,857,014	\$17,158,292	\$17,536,770	\$17,993,459
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$18,710,004	\$18,817,044	\$18,992,013	\$19,239,120	\$19,564,040	\$19,971,704
9. Solvency Ratio: (8)/(4e)	8.34	8.60	8.90	9.25	9.65	10.10
2049						
1. Market Value at beginning of year	\$17,993,459	\$18,533,195				
2. Contributions	1,454,020	1,456,201				
3. Withdrawal liability payments	0	0				
4. Benefit payments						
a. Current retirees and beneficiaries	485,337	429,093				
b. Terminated vested participants	280,775	269,726				
c. Current actives	892,892	880,009				
d. New entrants	271,131	302,402				
e. Total	1,930,135	1,881,230				
5. Administrative expenses	293,001	295,931				
6. Investment earnings	<u>1,308,852</u>	<u>1,350,712</u>				
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$18,533,195	\$19,162,947				
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$20,463,330	\$21,044,177				
9. Solvency Ratio: (8)/(4e)	10.60	11.19				

**Exhibit X: Deterministic Projection of Proposed Suspension
Composition Roofers Local 42 Pension Plan**

Assuming Negative 0.86% Trend in Annual Contribution Base Units

Projected Market Value of Assets and Solvency Ratio for the Plan Years beginning January 1, 2019 through December 31, 2050.

	2019 *	2020	2021	2022	2023	2024
1. Market Value at beginning of year	\$23,752,502	\$22,590,874	\$21,989,958	\$21,650,679	\$21,269,025	\$20,859,131
2. Contributions	950,568	1,206,783	1,240,167	1,272,898	1,304,981	1,318,703
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	2,563,212	2,636,647	2,370,910	2,328,246	2,282,879	2,234,621
b. Terminated vested participants	60,943	90,744	103,985	125,793	146,688	166,813
c. Current actives	171,169	229,874	253,222	324,351	382,067	421,134
d. New entrants	0	0	0	0	0	78
e. Total	2,795,324	2,957,265	2,728,117	2,778,390	2,811,634	2,822,646
5. Administrative expenses	334,793	219,558	221,754	223,971	226,211	228,473
6. Investment earnings	<u>1,017,921</u>	<u>1,369,124</u>	<u>1,370,425</u>	<u>1,347,809</u>	<u>1,322,970</u>	<u>1,296,422</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$22,590,874	\$21,989,958	\$21,650,679	\$21,269,025	\$20,859,131	\$20,423,137
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$26,310,875	\$24,947,223	\$24,378,796	\$24,047,415	\$23,670,765	\$23,245,783
9. Solvency Ratio: (8)÷(4e)	7.07 **	8.44	8.94	8.66	8.42	8.24
	2025	2026	2027	2028	2029	2030
1. Market Value at beginning of year	\$20,423,137	\$19,925,324	\$19,364,469	\$18,746,397	\$18,087,872	\$17,559,424
2. Contributions	1,307,494	1,296,380	1,285,361	1,274,436	1,263,603	1,252,862
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	2,183,336	2,128,934	2,071,392	2,010,761	1,947,153	1,880,748
b. Terminated vested participants	188,368	211,912	232,804	249,521	263,796	274,525
c. Current actives	469,611	515,989	558,498	588,248	613,836	646,036
d. New entrants	367	1,258	2,277	3,552	5,159	7,031
e. Total	2,841,682	2,858,093	2,864,971	2,852,082	2,829,944	2,808,340
5. Administrative expenses	230,758	233,065	235,396	237,750	240,128	242,529
6. Investment earnings	<u>1,267,133</u>	<u>1,233,923</u>	<u>1,196,934</u>	<u>1,156,871</u>	<u>1,278,021</u>	<u>1,239,067</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$19,925,324	\$19,364,469	\$18,746,397	\$18,087,872	\$17,559,424	\$17,000,484
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$22,767,006	\$22,222,562	\$21,611,368	\$20,939,954	\$20,389,368	\$19,808,824
9. Solvency Ratio: (8)÷(4e)	8.01	7.78	7.54	7.34	7.20	7.05

* As required under revenue procedure 2017-43 3.02, the initial period shown here begins on the first day of the calendar quarter in which the application is submitted (April 1, 2019) and ends with the last day of the plan year that includes that first day (December 31, 2019).

** Calculated based on the annual information shown in Exhibit II.

Exhibit X: Deterministic Projection of Proposed Suspension (continued)
Composition Roofers Local 42 Pension Plan

Assuming Negative 0.86% Trend in Annual Contribution Base Units

Projected Market Value of Assets and Solvency Ratio for the Plan Years beginning January 1, 2019 through December 31, 2050.

	2031	2032	2033	2034	2035	2036
1. Market Value at beginning of year	\$17,000,484	\$16,418,089	\$15,815,314	\$15,188,965	\$14,537,876	\$13,863,362
2. Contributions	1,242,213	1,231,654	1,221,185	1,210,805	1,200,513	1,190,309
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	1,811,772	1,740,483	1,667,170	1,592,145	1,515,708	1,438,153
b. Terminated vested participants	285,253	294,018	303,186	312,502	321,009	329,122
c. Current actives	671,460	695,969	722,589	749,112	774,061	798,223
d. New entrants	9,341	12,263	16,378	21,656	27,748	34,749
e. Total	2,777,826	2,742,733	2,709,323	2,675,415	2,638,526	2,600,247
5. Administrative expenses	244,954	247,404	249,878	252,376	254,900	257,449
6. Investment earnings	<u>1,198,172</u>	<u>1,155,708</u>	<u>1,111,667</u>	<u>1,065,897</u>	<u>1,018,399</u>	<u>969,214</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$16,418,089	\$15,815,314	\$15,188,965	\$14,537,876	\$13,863,362	\$13,165,189
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$19,195,915	\$18,558,047	\$17,898,288	\$17,213,291	\$16,501,888	\$15,765,436
9. Solvency Ratio: (8)÷(4e)	6.91	6.77	6.61	6.43	6.25	6.06
	2037	2038	2039	2040	2041	2042
1. Market Value at beginning of year	\$13,165,189	\$12,450,603	\$11,729,279	\$10,996,367	\$10,247,317	\$9,479,446
2. Contributions	1,180,191	1,170,160	1,160,213	1,150,351	1,140,573	1,130,879
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	1,359,783	1,280,920	1,201,906	1,123,083	1,044,818	967,479
b. Terminated vested participants	333,258	334,665	336,035	337,098	335,944	333,694
c. Current actives	817,410	826,975	839,556	854,981	872,354	887,809
d. New entrants	42,890	53,426	65,388	78,241	92,293	107,628
e. Total	2,553,341	2,495,986	2,442,885	2,393,403	2,345,409	2,296,610
5. Administrative expenses	260,024	262,624	265,250	267,903	270,582	273,288
6. Investment earnings	<u>918,588</u>	<u>867,126</u>	<u>815,010</u>	<u>761,905</u>	<u>707,547</u>	<u>651,821</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$12,450,603	\$11,729,279	\$10,996,367	\$10,247,317	\$9,479,446	\$8,692,248
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$15,003,944	\$14,225,265	\$13,439,252	\$12,640,720	\$11,824,855	\$10,988,858
9. Solvency Ratio: (8)÷(4e)	5.88	5.70	5.50	5.28	5.04	4.78

Exhibit X: Deterministic Projection of Proposed Suspension (continued)

Composition Roofers Local 42 Pension Plan

Assuming Negative 0.86% Trend in Annual Contribution Base Units

Projected Market Value of Assets and Solvency Ratio for the Plan Years beginning January 1, 2019 through December 31, 2050.

	2043	2044	2045	2046	2047	2048
1. Market Value at beginning of year	\$8,692,248	\$7,888,883	\$7,069,681	\$6,232,726	\$5,377,103	\$4,500,842
2. Contributions	1,121,266	1,111,735	1,102,286	1,092,916	1,083,626	1,074,416
3. Withdrawal liability payments	0	0	0	0	0	0
4. Benefit payments						
a. Current retirees and beneficiaries	891,474	817,223	745,128	675,562	608,867	545,358
b. Terminated vested participants	328,797	323,000	316,699	309,378	300,768	291,365
c. Current actives	897,611	902,899	906,326	906,364	903,956	900,669
d. New entrants	125,550	145,710	166,846	189,524	213,679	240,853
e. Total	2,243,432	2,188,832	2,134,999	2,080,828	2,027,270	1,978,245
5. Administrative expenses	276,020	278,781	281,568	284,384	287,228	290,100
6. Investment earnings	<u>594,821</u>	<u>536,676</u>	<u>477,326</u>	<u>416,673</u>	<u>354,611</u>	<u>290,852</u>
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$7,888,883	\$7,069,681	\$6,232,726	\$5,377,103	\$4,500,842	\$3,597,765
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$10,132,315	\$9,258,513	\$8,367,725	\$7,457,931	\$6,528,112	\$5,576,010
9. Solvency Ratio: (8)/(4e)	4.52	4.23	3.92	3.58	3.22	2.82
	2049	2050				
1. Market Value at beginning of year	\$3,597,765	\$2,664,982				
2. Contributions	1,065,283	1,056,228				
3. Withdrawal liability payments	0	0				
4. Benefit payments						
a. Current retirees and beneficiaries	485,337	429,093				
b. Terminated vested participants	280,775	269,726				
c. Current actives	892,892	880,009				
d. New entrants	271,131	302,402				
e. Total	1,930,135	1,881,230				
5. Administrative expenses	293,001	295,931				
6. Investment earnings	<u>225,070</u>	<u>157,112</u>				
7. Market Value at end of year: (1)+(2)+(3)-(4e)-(5)+(6)	\$2,664,982	\$1,701,161				
8. Available resources: (1)+(2)+(3)-(5)+(6)	\$4,595,117	\$3,582,391				
9. Solvency Ratio: (8)/(4e)	2.38	1.90				

**Exhibit XI: Deterministic Projection of Funded Percentage of Proposed Suspension
Composition Roofers Local 42 Pension Plan**

Projected Market Value of Assets and Funded Percentage for the Plan Years beginning January 1, 2019 through January 1, 2051.

	2019	2020	2021	2022	2023	2024
1. Value of plan assets	\$22,362,057	\$22,598,582	\$22,019,607	\$21,715,445	\$21,383,611	\$21,039,861
2. Unit credit accrued liability	\$53,005,207	\$36,157,397	\$35,977,183	\$35,735,135	\$35,417,418	\$35,034,121
3. Funded percentage: (1) ÷ (2)	42.2%	62.5%	61.2%	60.8%	60.4%	60.1%
	2025	2026	2027	2028	2029	2030
1. Value of plan assets	\$20,687,090	\$20,289,459	\$19,846,745	\$19,365,841	\$18,864,646	\$18,522,852
2. Unit credit accrued liability	\$34,612,678	\$34,148,803	\$33,637,425	\$33,088,397	\$32,521,463	\$31,942,208
3. Funded percentage: (1) ÷ (2)	59.8%	59.4%	59.0%	58.5%	58.0%	58.0%
	2031	2032	2033	2034	2035	2036
1. Value of plan assets	\$18,175,567	\$17,831,591	\$17,495,893	\$17,167,317	\$16,846,883	\$16,538,260
2. Unit credit accrued liability	\$31,348,175	\$30,749,772	\$30,151,693	\$29,545,357	\$28,937,755	\$28,326,542
3. Funded percentage: (1) ÷ (2)	58.0%	58.0%	58.0%	58.1%	58.2%	58.4%
	2037	2038	2039	2040	2041	2042
1. Value of plan assets	\$16,243,739	\$15,973,285	\$15,739,488	\$15,540,637	\$15,375,549	\$15,245,163
2. Unit credit accrued liability	\$27,713,006	\$27,110,541	\$26,532,649	\$25,974,518	\$25,433,125	\$24,904,185
3. Funded percentage: (1) ÷ (2)	58.6%	58.9%	59.3%	59.8%	60.5%	61.2%
	2043	2044	2045	2046	2047	2048
1. Value of plan assets	\$15,152,864	\$15,105,993	\$15,109,371	\$15,165,908	\$15,279,874	\$15,454,872
2. Unit credit accrued liability	\$24,390,736	\$23,898,611	\$23,429,416	\$22,986,552	\$22,571,704	\$22,187,123
3. Funded percentage: (1) ÷ (2)	62.1%	63.2%	64.5%	66.0%	67.7%	69.7%
	2049	2050	2051			
1. Value of plan assets	\$15,690,709	\$15,990,927	\$16,361,103			
2. Unit credit accrued liability	\$21,828,875	\$21,496,102	\$21,192,437			
3. Funded percentage: (1) ÷ (2)	71.9%	74.4%	77.2%			

Exhibit XII – Participant Information
Composition Roofers Local 42 Pension Plan
All Participants

Age Group*	Number of Lives	Monthly Benefit Before Suspension		Monthly Benefit After Suspension	
		Total	Average	Total	Average
< 19	0	\$ 0	\$ 0	\$ 0	\$ 0
20-24	3	255	85	246	82
25-29	15	1,804	120	1,722	115
30-34	22	5,100	232	4,655	212
35-39	29	10,412	359	8,278	285
40-44	39	17,146	440	13,350	342
45-49	34	20,702	609	14,740	434
50-54	44	33,645	765	23,085	525
55-59	51	57,873	1,135	35,574	698
60-64	73	94,739	1,298	64,296	881
65-69	64	82,519	1,289	53,717	839
70-74	46	64,313	1,398	43,173	939
75-79	33	31,932	968	26,348	798
80 +	32	30,124	941	30,124	941
Total	485	\$ 450,563	\$ 929	\$ 319,309	\$ 658

* Age at Suspension Date.

Exhibit XII – Participant Information
Composition Roofers Local 42 Pension Plan
Active Participants

Age Group*	Number of Lives	Monthly Benefit Before Suspension		Monthly Benefit After Suspension	
		Total	Average	Total	Average
< 19	0	\$ 0	\$ 0	\$ 0	\$ 0
20-24	3	255	85	246	82
25-29	15	1,804	120	1,722	115
30-34	22	5,100	232	4,655	212
35-39	24	7,629	318	6,618	276
40-44	26	10,841	417	9,293	357
45-49	24	15,021	626	11,047	460
50-54	21	17,717	844	12,406	591
55-59	25	38,354	1,534	23,470	939
60-64	11	15,279	1,389	9,674	879
65-69	2	4,532	2,266	2,741	1,371
70-74	0	0	0	0	0
75-79	0	0	0	0	0
80 +	0	0	0	0	0
Total	173	\$ 116,532	\$ 674	\$ 81,873	\$ 473

* Age at Suspension Date.

Exhibit XII – Participant Information
Composition Roofers Local 42 Pension Plan
Participants In Payment

Age Group*	Number of Lives**	Monthly Benefit Before Suspension		Monthly Benefit After Suspension	
		Total	Average	Total	Average
< 19	0	\$ 0	\$ 0	\$ 0	\$ 0
20-24	0	0	0	0	0
25-29	0	0	0	0	0
30-34	0	0	0	0	0
35-39	0	0	0	0	0
40-44	0	0	0	0	0
45-49	1	200	200	194	194
50-54	4	3,314	829	3,212	803
55-59	8	7,147	893	4,983	623
60-64	51	71,070	1,394	49,825	977
65-69	61	77,609	1,272	50,763	832
70-74	45	63,921	1,420	42,958	955
75-79	33	31,932	968	26,348	798
80 +	32	30,124	941	30,124	941
Total	235	\$ 285,316	\$ 1,214	\$ 208,408	\$ 887

* Age at Suspension Date.

** Includes disabled participants and their beneficiaries.

Exhibit XII – Participant Information
Composition Roofers Local 42 Pension Plan
Terminated Vested Participants

Age Group*	Number of Lives	Monthly Benefit Before Suspension		Monthly Benefit After Suspension	
		Total	Average	Total	Average
< 19	0	\$ 0	\$ 0	\$ 0	\$ 0
20-24	0	0	0	0	0
25-29	0	0	0	0	0
30-34	0	0	0	0	0
35-39	5	2,782	556	1,660	332
40-44	13	6,305	485	4,056	312
45-49	9	5,480	609	3,498	389
50-54	19	12,614	664	7,467	393
55-59	18	12,372	687	7,121	396
60-64	11	8,390	763	4,797	436
65-69	1	378	378	212	212
70-74	1	392	392	216	216
75-79	0	0	0	0	0
80 +	0	0	0	0	0
Total	77	\$ 48,715	\$ 633	\$ 29,028	\$ 377

* Age at Suspension Date.

Exhibit XII – Participant Information Composition Roofers Local 42 Pension Plan

Counts as of December 31, 2017 *	Participants	Beneficiaries	Alternate Payees	Total
	426	52	7	485
Average Monthly Benefit Before Proposed Suspension	\$947	\$803	\$741	\$929
Average Monthly Benefit After Proposed Suspension	\$653	\$715	\$563	\$658
Percentage Reduction in Average Monthly Benefit	31.08%	10.96%	23.94%	29.13%
Reduction in Present Value of Benefits Due to Proposed Suspension **	\$16,055,099	\$536,677	\$147,768	\$16,739,544

* Based on data summarized in this application.

** Represents the change in the present value of future liabilities as of January 1, 2020 between the current plan and the proposed suspension.

<u>Percentage reduction in benefits</u>	<u>Count</u>
No reduction	73
Greater than 0% but less than 5%	68
At least 5% but less than 10%	68
At least 10% but less than 15%	35
At least 15% but less than 20%	10
At least 20% but less than 25%	16
At least 25% but less than 30%	26
At least 30% but less than 35%	27
At least 35% but less than 40%	35
At least 40% but less than 45%	23
45% or more	104
Total number of participants impacted by proposed suspension	412
Grand Total	485

Exhibit XIII: Plan Provisions

Composition Roofers Local 42 Pension Plan

1. Effective Date: June 1, 1964.
2. Plan Year: January 1st through December 31st.
3. Covered Employees: All employees covered by the Local 42 Collective Bargaining Agreement.
4. Eligibility: 1st of the month coincident with or following the completion of 1,000 Hours of Service.
5. Year of Service: 1 Year of Service for each Plan Year during which at least 1,000 Hours of Service are worked. If the participant works less than 1,000 hours, $\frac{1}{10}$ of a Year of Service is earned for each 100 Hours of Service worked.
6. Actuarial Equivalency: UP 1984 Mortality Table at 7.00%.
7. Payment Forms:
 - a. Normal Single Life Annuity for single participants and an Actuarially Equivalent 50% Joint & Survivor Annuity (QJSA) for married participants.
 - b. Optional Actuarially Equivalent 75% (QOSA) or 100% Joint & Survivor Annuity.

Exhibit XIII: Plan Provisions

Composition Roofers Local 42 Pension Plan

8. Normal Retirement:

- a. Eligibility Age 58 or the 5th anniversary of Plan participation.
- b. Monthly Benefit The sum of the following benefit credits:
 - i. Past Service \$4.20 per month multiplied by Years of Service before June 1, 1964, with a maximum of 20 Years of Service.
 - ii. Future Service Based on a percentage of Employer contributions made on behalf of the participant in accordance with the following table:

<u>Effective Date</u>	<u>Percentage</u>
6/1/1964	5.220%
6/1/1965	2.616%
6/1/1966	1.740%
6/1/1972	2.040%
6/1/1974	2.040% ¹
1/1/1980	2.880% ¹
1/1/1984	2.450%
1/1/1994	2.100%
1/1/2009	1.000% ²

¹ Accrual is based on the specified percentage of contribution in excess of \$0.15 per hour.

² Accrual is based on contributions up to \$3.00 per hour effective 1/1/2009 and \$2.10 per hour effective 1/1/2010.

In addition, accrued benefits were increased as follows:

<u>Effective Date</u>	<u>Actives</u>	<u>Retirees</u>
12/31/1986	10%	10%
12/31/1988	5%	5%
12/31/1989	15%	15%
12/31/1997	10%	10%
12/31/1999	5%	5% (min \$25)

Exhibit XIII: Plan Provisions

Composition Roofers Local 42 Pension Plan

9. Early Retirement:

- a. Eligibility Age 55 and 5 Years of Service.
- b. Monthly Benefit Calculated as for Normal Retirement actuarially reduced from age 58.

10. Vested Retirement:

- a. Eligibility 5 Years of Service.
- b. Monthly Benefit Calculated as for Normal or Early Retirement.

11. Disability Benefit:

- a. Eligibility Total and Permanent Disability and 5 Years of Service.
- b. Monthly Benefit Calculated as for Normal Retirement actuarially reduced from age 58. Effective April 1, 2020, an additional 45% reduction is applied to benefits earned as of April 1, 2020.

12. Pre-Retirement Death:

- a. Eligibility 5 Years of Service.
- b. Monthly Benefit Surviving Spouses receive the survivor's annuity calculated as for an age 55 Early Retirement reflecting a 50% Joint & Survivor Annuity payment form with death immediately after Early Retirement.

Exhibit XIII: Plan Provisions
Composition Roofers Local 42 Pension Plan

13. <u>Employer Contributions:</u>	<u>Effective Date</u>	<u>Hourly Rate</u>
	1/1/2009	\$3.40
	1/1/2010	\$3.40
	8/1/2010	\$3.60
	8/1/2011	\$3.80
	8/1/2012	\$4.00
	8/1/2013	\$4.20
	8/1/2014	\$4.40
	8/1/2015	\$4.60
	8/1/2016	\$4.80
	8/1/2017	\$5.00
	8/1/2018	\$5.20
	8/1/2019	\$5.40
	8/1/2020	\$5.60
	8/1/2021	\$5.80
	8/1/2022	\$6.00
	8/1/2023	\$6.20

14. Proposed Benefit Suspension:
- Proposed Suspension as detailed in the Pension Recovery Program is effective April 1, 2020. All applicable age, guarantee, and disability-based limitations have been applied based on our understanding of the Final Regulations for Suspension of Benefits under the Multiemployer Pension Reform Act of 2014.

Exhibit XIII: Assumptions & Methods

Composition Roofers Local 42 Pension Plan

1. Interest Rates: 6.50%.

2. Mortality Rates:

- a. Non-Disabled RP-2014 with Blue Collar adjustment.
- b. Disabled RP-2014 Disabled Retiree.
- c. Base Rate Adjustment 2006 using Scale MP-2014.
- d. Future Projections Generational projection using Scale MP-2017.

3. Actuarial Cost Method: Unit Credit.

4. Retirement Rates:

		Terminated
<u>Age</u>	<u>Actives</u>	<u>Vesteds</u>
55-56	0.10	0.10
57	0.20	0.20
58	0.30	0.50
59-60	0.20	0.10
61	0.40	0.10
62	1.00	0.10
63-65	1.00	0.50
66-69	1.00	0.20
70	1.00	1.00

5. Expense Load: \$400,000 in the 2019 Plan Year, \$190,668 in the 2020 Plan Year, and increased 1% per year thereafter.

Exhibit XIII: Assumptions & Methods

Composition Roofers Local 42 Pension Plan

6. Number of Hours Worked: 250,000; 1,278.82 per year per active participant.

7. Termination Rates: For years 1 and 2 – 0.20; for years 3 and later:

<u>Age</u>	<u>Rate</u>
25	0.0967
35	0.0871
45	0.0635
55	0.0155
65	0.0000

8. Disability Rates:

<u>Age</u>	<u>Rate</u>
25	0.0009
35	0.0015
45	0.0032
55	0.0083
65	0.0000

9. Assumed Form of Payment:

<u>Payment Form</u>	<u>Election %</u>
Single Life Annuity	51%
50% Joint and Survivor	15%
75% Joint and Survivor	8%
100% Joint and Survivor	26%

10. Rationale for Selection of Assumptions:

Many actuarial assumptions used in this report are described in detail in the information included in response to Revenue Procedure 2017-43 Appendix B. The selection of other assumptions is based on the actuary's best estimate of future expectations based on the examination of recent actual results compared to expectations, periodic experience studies, industry materials, and any reasonably certain information available.

**Application for Approval of Benefit Suspension for the
Composition Roofers Local 42 Pension Plan**

EXHIBIT C

PLAN SPONSOR'S DETERMINATION OF PROJECTED INSOLVENCY

As required by Section 432(e)(9)(C)(ii), the Board of Trustees has determined that the Plan would not be projected to avoid insolvency if no suspension of benefits were applied under the Plan, even though all reasonable measures to avoid insolvency have been taken.

On March 31, 2010, the Plan was certified by its actuary to be in critical status for the plan year beginning January 1, 2010. The Board adopted an initial rehabilitation plan and expected the Plan to emerge from critical status by the end of the 10-year rehabilitation period. In 2014, after consulting with the Plan's actuary and reviewing projections, the Board determined that based on reasonable assumptions, the Plan would not emerge from critical status within the updated rehabilitation period. In August 2014, the Board adopted a modified rehabilitation plan designed to forestall insolvency.

Measures Taken to Avoid Insolvency- The Board has taken the following actions to avoid insolvency over the past 10 plan years immediately preceding the plan year in which this application was filed:

- The Plan utilizes a percentage of contribution benefit formula. Effective January 1, 2009, the benefit formula was reduced from 2.1% of credited contributions to 1.0% of credited contributions made on behalf of Plan participants.
- In conjunction with the reduction in the benefit formula, the Board reduced the portion of contributions that were subject to accrual (from \$3.40 per hour in December 2008 to \$2.10 per hour by January 2010). A proportionate share of contributions for apprentices, reciprocal contributions and other classifications are subject to the non-accrual formula. As shown below, the amount of journeyman contributions subject to accrual has not changed from \$2.10 since 2010. This is down from a high of \$3.40 that was in effect from August 2005 through December 2008.
- Since August 2010, employer contributions have increased by \$.20 per hour on an annual basis and this new money has been used solely to improve the financial condition of the Plan—and not for benefit accrual. By August 2023, nearly two-thirds of the contributions received will be non-benefit accruing. The Board believes this approach is untenable beyond 2023 as active participants are unlikely to continue to support such increases.
- Effective May 1, 2010, disability pension benefits were eliminated for any participant who had not earned at least five years of credited service at the time of disability. The unreduced disability benefit was eliminated and replaced with a disability reduced by 5/9 of 1% for each month that disability precedes age 58. The maximum reduction was

capped at 20%. The Board initially considered whether to apply additional reductions or eliminate this benefit altogether, but was concerned about the devastating financial impact this change could have on the most vulnerable participants. Effective for applications received on and after July 1, 2019 the Board has voted to implement a full actuarial reduction on disability benefits and to eliminate the 20% cap.

- Pre-retirement death benefits for non-vested participants, participants married less than one year and unmarried participants were eliminated as of May 1, 2010.
- Postretirement lump-sum death benefits were eliminated for participants with an annuity starting date on or after May 1, 2010. Following that date the only postretirement death benefits payable will be in the form of qualified joint and survivor annuity, or a qualified optional survivor annuity.
- The qualified preretirement survivor annuity for eligible spouses was reduced from a 100% survivor annuity to a 50% survivor annuity, effective for those with an annuity starting date on or after August 25, 2010.
- Effective July 1, 2019, the Board of Trustees implemented a full actuarial reduction on all early retirement benefits.

Plan Factors- In accordance with Section 432(e)(9)(C)(ii), the Board offers the following information:

(1) For the past 10 plan years immediately preceding the plan year in which the application is being submitted:

- (a) Contribution levels
- (b) Levels of benefit accruals, including any prior reductions in the rate of benefit accruals.

Contribution Effective Dates	Journeyman Basic Pension Rate	Reserve Rate	Credited Benefit Rate	Benefit Accrual Rate
September 1988 through July 1989	\$1.75	\$0.00	\$1.75	2.45%
August 1989 through July 1990	\$2.00	\$0.00	\$2.00	2.45%
August 1990 through July 1991	\$2.25	\$0.00	\$2.25	2.45%
August 1991	\$2.50	\$0.00	\$2.50	2.45%

through December 1993				
January 1994 through July 1995	\$2.50	\$0.00	\$2.50	2.10%
August 1995 through October 1996	\$2.65	\$0.00	\$2.65	2.10%
November 1996 through July 2002	\$2.80	\$0.00	\$2.80	2.10%
August 2002 through July 2005	\$3.00	\$0.00	\$3.00	2.10%
August 2005 through December 2008	\$3.40	\$0.00	\$3.40	2.10%
January 1, 2009 through December 31, 2009	\$3.40	\$0.40	\$3.00	1.0%
January 1, 2010 through July 31, 2010	\$3.40	\$1.30	\$2.10	1.0%
August 1, 2010 through July 31, 2011	\$3.60	\$1.50	\$2.10	1.0%
August 1, 2011 through July 31, 2012	\$3.80	\$1.70	\$2.10	1.0%
August 1, 2012 through July 31, 2013	\$4.00	\$1.90	\$2.10	1.0%
August 1, 2013 through July 31, 2014	\$4.20	\$2.10	\$2.10	1.0%
August 1, 2014 through July 31, 2015	\$4.40	\$2.30	\$2.10	1.0%
August 1, 2015 through July 31, 2016	\$4.60	\$2.50	\$2.10	1.0%
August 1, 2016 through July 31, 2017	\$4.80	\$2.70	\$2.10	1.0%
August 1, 2017 through July 31, 2018	\$5.00	\$2.90	\$2.10	1.0%
August 1, 2018 through July 31, 2019	\$5.20	\$3.10	\$2.10	1.0%
August 1, 2019 through July 31, 2020	\$5.40	\$3.30	\$2.10	1.0%
August 1, 2020 through July 31,	\$5.60	\$3.50	\$2.10	1.0%

2021				
August 1, 2021 through July 31, 2022	\$5.80	\$3.70	\$2.10	1.0%
August 1, 2022 through July 31, 2023	\$6.00	\$3.90	\$2.10	1.0%
August 1, 2023 through July 31, 2024	\$6.20	\$4.10	\$2.10	1.0%

The impact on benefit accrual has been significant. A participant working 1,300 hours in 2008 would be expected to earn a benefit of \$92.82 ($2.1\% \times (1,300 \text{ hours} \times \$3.40)$). Despite the significant increase in employer contributions, in 2024 a participant working 1,300 hours is only expected to earn a benefit of \$27.30 ($1.0\% \times (1,300 \text{ hours} \times \$2.10)$). The active participants are growing frustrated with the continual reductions to benefits and are likely to withdraw support if this trend continues.

(c) Prior reductions of adjustable benefits under Section 432(e)(8) have been outlined above and include the elimination of disability benefits for those with less than five (5) years of credited service; elimination of the unreduced disability benefits for active participants; elimination of the lump sum death benefits; a reduction of the qualified preretirement survivor annuity from 100% to 50%; and a full actuarial reduction on early retirement benefits.

(d) The Plan has not previously suspended benefits under Section 432(e)(9).

(e) The role of attracting new employers is primarily the responsibility of the Local Union. The Local and International Unions have organizers who actively seek new employers interested in a bargaining relationship. The Board has attempted to assist in attracting new employers by balancing the Plan's contribution rates against the need for wage increases, health plan costs and other demands. A primary impediment to recruiting new employers continues to be the threat of withdrawal liability. Many contractors are not willing to accept responsibility for unfunded benefits in a plan that is struggling. The Local Union also works to maintain market share by identifying qualified workers who may be interested in employment with a signatory employer. Unfortunately, as the financial condition of the Pension Plan deteriorates, it becomes more difficult to attract quality roofers. A MPRA suspension would provide stability, certainty and make it easier to attract and retain new contractors and experienced roofers.

(2) The Board has conferred with the Plan actuary and determined that the remaining ancillary benefits are de-minimis and have no material impact on the Plan's solvency. The Board continues to believe that some type of early retirement benefit and disability benefit are necessary given the very physical nature of the trade. Many participants will be physically unable to work to normal retirement age and the disability/early retirement options provide an essential safety net.

(3) The average compensation for a roofer in Cincinnati, OH-KY-IN is \$40,070.¹ The hourly wage for a journeyman working under the Roofers Local 42 collective bargaining agreement is currently \$27.11. The Plan's actuary assumes the average participant will work 1,278.82 hours per year, for an annual salary (at \$27.11/hr) of \$34,668.81.

(4) Competitive and other economic factors facing contributing employers. The competitive landscape in the Greater Cincinnati market has become increasingly difficult for the employers who participate in the Plan. Issues cited by the employers include:

- Traditionally, large scale commercial roofing projects for governmental entities were performed under prevailing wage laws. This allowed contractors to compete against other employers who were paying a living wage and providing quality benefits to their workforce. As of 2017, the prevailing wage laws have either been repealed, or significantly reduced in scope. Instead of competing against other reputable companies, the contributing employers to the Roofers Local 42 Pension Plan must contend with contractors who treat their roofers as 1099 independent contractors and/or utilize low-skilled day laborers. This allows their competitors to severely undercut the responsible contractors in the area.
- Unlike electricians, plumbers, pipefitters and some other skilled trades, the roofing industry is largely unregulated. No license is required to become a roofing contractor and the barriers to entry are very low. New generations of roofing systems require relatively little in the way of specialized knowledge or expensive equipment. Suppliers rent robotic heat welders to new contractors and delivery of materials is handled by the roofing distributors. This drives down costs and pushes skilled contractors to projects that are more complicated and entail greater financial risk.

¹ May 2016 Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates Cincinnati, OH-KY-IN, OES State Occupational Employment and Wage Estimates. (n.d.). Retrieved April 4, 2017, from: https://www.bls.gov/oes/current/oes_17140.htm#47-0000. The median hourly rate is \$18.29, but this includes lower skilled residential workers and assumes 2,080 hours worked per year. The average participant in the Fund will not have the opportunity to work 2,080 hours in a year.

- In the past, many industrial and commercial property owners would only work with a contractor who had a bargaining relationship with a labor organization. Today, there is only one employer left in the Cincinnati area who insists on using a signatory contractor. Again, this opens the market to contractors with relatively little experience and compresses the profit margins of the signatory employers.
- Approximately 20 years ago, there were 14 signatory employers in the Greater Cincinnati area who contributed to the Plan. Over the years this number has dwindled to five regular employers. At the same time, several new employers have entered the market and none have established a bargaining relationship with the Local Union. As explained above, it is difficult to organize a new employer given the instability and uncertainty surrounding the Plan.
- The Plan's unfunded liabilities make it difficult for the employers to merge, sell or otherwise transition their businesses. The contingent withdrawal liability has also raised questions by bonding companies who may be hesitant to underwrite contributing employers.

How Plan Factors Were Taken into Account and Other Factors Considered- The Board of Trustees weighed and applied each of the factors listed below when determining that all reasonable measures were taken to avoid insolvency.

- An analysis of the contribution levels, benefit reductions and current benefit accrual rates caused the Board to conclude that it was not possible to solve the Plan's funding issues through additional rate increases or benefit cuts. The hourly contribution rate has increased from \$3.40 to \$5.20 in the past decade and will climb to \$6.20 by August 2023—for a total increase of 83%. At the same time, the portion of the hourly contribution that accrues a benefit has dropped from \$3.40 to \$2.10—and the benefit formula decreased from 2.1% of contributions to 1.0% of contributions. By August 2023, the active participants will only receive benefit accrual credit for 34% of the hourly contribution made on their behalf. The active participant population is frustrated with the retirement plan and are looking for options. Some have left the industry altogether, while others have gone to work out of the area and stopped reciprocal contributions. Adding further contributions or benefit cuts to the active population is not a realistic option.

- The changes made to adjustable benefits outlined above have contributed to the frustration of the active participant population. As explained above, the only remaining adjustable benefits are de-minimis. The elimination of these benefits would have a devastating impact on participants who are physically unable to work at the trade late in their career, but would provide no meaningful impact on the Plan's solvency. For that reason the Board has decided to retain these de-minimis benefits.
- The ability to retain the group's current employers and to attract new employers is key to the Plan's long-term solvency. In order to accomplish these goals, a permanent solution needs to be implemented that will guarantee the financial stability of the Plan for decades to come. The Board determined that additional increases, cuts to the benefit accrual formula and similar changes will only aggravate the current problems.
- As explained above, the bargaining parties have agreed to continue to increase the hourly contribution rate by \$.20 per hour through August 2023. This steady increase is designed to balance the needs of the Plan against the personal financial needs of the active participant population. While the hourly wage of the active participants is higher versus others in the industry, they work fewer hours. Therefore, the Board believes that contribution rates outlined in the rehabilitation plan are reasonable.

**Application for Approval of Benefit Suspension for the
Composition Roofers Local 42 Pension Plan**

EXHIBIT D

**DEMONSTRATION THAT LIMITATIONS ON INDIVIDUAL
SUSPENSIONS ARE SATISFIED**

Composition Roofers Local 42 Pension Plan

Application for Benefit Suspension

Demonstration that Limitations on Individual Suspensions are Satisfied

Example of Guarantee-Based Limitation for Retiree and Contingent Beneficiary

	Participant	Contingent Beneficiary
Date of Birth	9/1/1959	5/22/1965
Date of Retirement	9/1/2017	9/1/2017
Age at Retirement Date	58 years 0 months	52 years 3 months
Age at Suspension Date	60 years 7 months	54 years 10 months
Optional Form of Payment	50% Joint & Survivor Annuity	50% Joint & Survivor Annuity
Current Monthly Benefit	\$1,413.75	\$706.88
Total Service	27.20	27.20

Calculation of 110% of PBGC Guarantee

Current Monthly Benefit	\$1,413.75	\$706.88
Accrual Rate	\$51.98	\$25.99
PBGC Guaranteed Accrual Rate	\$35.75	\$22.24
PBGC Guaranteed Benefit	\$972.40	\$604.93
110% of PBGC Guaranteed Benefit	\$1,069.64	\$665.42

Calculation of Monthly Benefit under Proposed Suspension

Current Monthly Benefit	\$1,413.75	\$706.88
Base 45% Reduction	\$636.19	\$318.10
Benefit prior to Guarantee-Based Limitation	\$777.56	\$388.78
Benefit after Guarantee-Based Limitation	\$1,069.64	\$665.42
Final Monthly Benefit under Proposed Suspension	\$1,069.64	\$665.42

Composition Roofers Local 42 Pension Plan

Application for Benefit Suspension

Demonstration That Limitations on Individual Suspensions are Satisfied

Example of Guarantee-Based Limitation for Future Retiree

	Participant
Date of Birth	12/3/1976
Normal Retirement Date	1/1/2035
Age at Normal Retirement Date	58 years 0 months
Age at Suspension Date	43 years 3 months
Assumed Form of Payment	Single Life Annuity
Monthly Benefit Earned as of Suspension Date *	\$850.25
Total Service as of Suspension Date *	15.50

Calculation of 110% of PBGC Guarantee*

Monthly Benefit Earned as of Suspension Date	\$850.25
Accrual Rate	\$54.85
PBGC Guaranteed Accrual Rate	\$35.75
PBGC Guaranteed Benefit	\$554.13
110% of PBGC Guaranteed Benefit	\$609.54

Calculation of Monthly Benefit under Proposed Suspension

Monthly Benefit Earned as of Suspension Date	\$850.25
Base 45% Reduction	\$382.61
Benefit prior to Guarantee-Based Limitation	\$467.64
Benefit after Guarantee-Based Limitation	\$609.54
Final Monthly Benefit under Proposed Suspension**	\$609.54

* Calculated based on estimated service and accruals.

** Payable at Normal Retirement. These amounts could change based on age and form of payment elected at retirement.

Composition Roofers Local 42 Pension Plan

Application for Benefit Suspension

Demonstration That Limitations on Individual Suspensions are Satisfied

Example of Guarantee-Based Limitation for Disabled Retiree and Contingent Beneficiary Under Age 75

	Participant	Contingent Beneficiary
Date of Birth	11/3/1965	4/9/1967
Date of Disability	1/1/2017	1/1/2017
Age at Disability Date	51 years 1 months	49 years 8 months
Age at Suspension Date	54 years 4 months	52 years 11 months
Optional Form of Payment	50% Joint & Survivor Annuity	50% Joint & Survivor Annuity
Type of Pension	Disability	Disability
Current Monthly Benefit	\$647.72	\$323.86
Total Service	15.00	15.00

Calculation of 110% of PBGC Guarantee

Current Monthly Benefit	\$647.72	\$323.86
Accrual Rate	\$43.18	\$21.59
PBGC Guaranteed Accrual Rate	\$35.14	\$18.94
PBGC Guaranteed Benefit	\$527.04	\$284.15
110% of PBGC Guaranteed Benefit	\$579.74	\$312.56

Calculation of Monthly Benefit under Proposed Suspension

Current Monthly Benefit	\$647.72	\$323.86
Benefit after Disability-Based Limitation	\$647.72	\$178.12
Final Monthly Benefit under Proposed Suspension	\$647.72	\$323.86

Composition Roofers Local 42 Pension Plan

Application for Benefit Suspension

Demonstration That Limitations on Individual Suspensions are Satisfied

Example of Guarantee-Based Limitation for Future Disabled Retiree

Date of Birth	3/1/1965
Normal Retirement Date	3/1/2023
Age at Normal Retirement Date	58 years 0 months
Age at Suspension Date	55 years 2 months
Assumed Form of Payment	Single Life Annuity
Monthly Benefit Earned as of Suspension Date *	\$1,788.01
Total Service as of Suspension Date	23.50
Assumed Disability Date	3/1/2022
Age at Disability Date	57 years 0 months

Calculation of Monthly Benefit **

Monthly Benefit Earned as of Suspension Date	\$1,788.01
Base 45% Reduction	\$804.60
Reduced Monthly Benefit Earned as of Suspension Date	\$983.41
Monthly Benefit Earned after Suspension Date *	\$51.47
Total Monthly Benefit Earned as of Disability Date	\$1,034.88
Early Retirement Reduction	0.90727
Total Monthly Benefit Payable at Disability Date ***	\$938.91

Assumed Form of Payment	Single Life Annuity
Final Benefit Payable at Disability Date	\$938.91

* Calculated based on estimated service and accruals.

** Assumes adoption of Plan Amendment modifying Disability benefits to define them as the actuarially reduced benefit subject to a 45% reduction at retirement.

*** These amounts could change based on age and form of payment elected at retirement.

Composition Roofers Local 42 Pension Plan

Application for Benefit Suspension

Demonstration That Limitations on Individual Suspensions are Satisfied

Example of Age-Based Limitation for Retiree and Contingent Beneficiary Between Age 75 and Age 79

	Participant	Contingent Beneficiary
Date of Birth	2/16/1943	4/27/1945
Date of Retirement	3/1/2005	3/1/2005
Age at Retirement Date	62 years 0 months	59 years 10 months
Age at Suspension Date	77 years 1 months	74 years 11 months
Optional Form of Payment	66 ⅔% Joint & Survivor Annuity	66 ⅔% Joint & Survivor Annuity
Current Monthly Benefit	\$3,617.28	\$2,411.52
Current Monthly Benefit without Late Retirement Increase	\$2,860.80	\$1,907.20
Total Credited Service	34.40	34.40

Calculation of 110% of PBGC Guarantee

Current Monthly Benefit without Late Retirement Increase	\$2,860.80	\$1,907.20
Accrual Rate	\$83.16	\$55.44
PBGC Guaranteed Accrual Rate	\$35.75	\$35.75
PBGC Guaranteed Benefit	\$1,229.80	\$1,229.80
110% of PBGC Guaranteed Benefit	\$1,352.78	\$1,352.78

Calculation of Monthly Benefit under Proposed Suspension

Current Monthly Benefit	\$3,617.28	\$2,411.52
Base 45% Reduction	\$1,627.78	\$1,085.18
Benefit Prior to Age-Based Limitation	\$1,989.50	\$1,352.78
Number of Months for Age-Based Limitation *	34	34
Benefit after Age-Based Limitation	\$2,694.87	\$1,811.57
Final Monthly Benefit under Proposed Suspension	\$2,694.87	\$1,811.57

* Assumes Contingent Beneficiary does not go into payment before Suspension Date.

Composition Roofers Local 42 Pension Plan

Application for Benefit Suspension

Demonstration That Limitations on Individual Suspensions are Satisfied

Example of Age-Based Limitation for Future Retiree Between Age 75 and Age 79

	Participant
Date of Birth	4/16/1944
Assumed Date of Retirement	5/1/2020
Age at Retirement Date	76 years 0 months
Age at Suspension Date	75 years 11 months
Optional Form of Payment	Single Life Annuity
Monthly Benefit Earned as of Suspension Date	\$2,010.50
Monthly Benefit Earned as of Normal Retirement Date	\$1,500.40
Total Service as of Suspension Date	34.40

Calculation of 110% of PBGC Guarantee

Monthly Benefit Earned as of Suspension Date	\$2,010.50
Accrual Rate	\$58.44
PBGC Guaranteed Accrual Rate	\$35.75
PBGC Guaranteed Benefit	\$1,229.80
110% of PBGC Guaranteed Benefit	\$1,352.78

Calculation of Monthly Benefit under Proposed Suspension

Monthly Benefit Earned as of Normal Retirement Date	\$1,500.40
Late Retirement Factor	9.35327
Late Retirement Benefit as of Retirement Date	\$14,033.64
Base 45% Reduction	\$6,315.14
Benefit Prior to Age-Based Limitation	\$7,718.50
Number of Months for Age-Based Limitation	48
Benefit after Age-Based Limitation	\$8,981.53
Final Monthly Benefit under Proposed Suspension	\$8,981.53

**Application for Approval of Benefit Suspension for the
Composition Roofers Local 42 Pension Plan**

EXHIBIT E

NOTICES

Composition Roofers Local 42 Pension Plan

205 West Fourth Street, Suite 225

Cincinnati OH 45202

(513) 977-3635

Dear Participant:

Over the past several months, you have received notices explaining that the Pension Plan is in “Critical and Declining” status. This means that the Plan is slowly running out of money and will not be able to pay all of the benefits that have been earned over the years. The current forecast from the actuary shows that the Plan will likely be out of money by 2030. The Plan has reached an important crossroads and the Board of Trustees is determined to take the necessary steps to preserve and protect your benefit. To help with this process, the Board worked with professional advisors to develop a Pension Recovery Program. This is being done to help ensure the Plan can survive for decades to come.

Unfortunately, the Pension Recovery Program will require some participants, beneficiaries, ex-spouses and retirees to take a reduction in the amount of their monthly pension benefits. The Plan is applying to the Treasury Department for MPRA relief. MPRA gives Plans like ours the limited ability to reduce benefits in order to help stabilize the financial condition of their retirement plans. While no one wants to see a reduction occur, it is a necessary step if we want to save the Plan. If the Plan were to run out of money, benefits could be reduced below the levels of the Pension Recovery Program.

Attached is a Notice of a Proposed Reduction of your Pension Benefits

The Pension Recovery Program was submitted to the Treasury Department on June 28, 2019. By law, we must send you the attached notice. We have put together this letter and other resources listed below to help you understand the situation, the options considered and the steps you need to take.

The notice is divided into six main sections:

1. Why is the Board of Trustees proposing to reduce benefits?
2. What will happen if the Pension Plan runs out of money?
3. How did the Board of Trustees decide whose benefits to reduce and by how much?
4. What are the proposed reductions in benefits?
5. What comes next?
6. An individualized estimate that explains how benefits will be impacted by the Pension Recovery Program.

Next Steps

The MPRA application necessary to implement the Pension Recovery Program will be available on a Treasury Department website within 30 days (<https://www.treasury.gov/services/Pages/Plan-Applications.aspx>). You can access this site to review the complete application, as well as applications from other plans that have filed. You will have the opportunity to review the application, comment on it and, upon approval of Treasury, to vote on the proposed Pension Recovery Program. We will continue to keep you informed throughout this process.

Additional Resources to Help Understand this Process

The Board of Trustees realizes that this process can be frustrating, confusing and difficult to understand. As a result, the Board has established a website that contains additional information (www.r42pensionrecovery.com). This website will be updated regularly and contain answers to frequently asked questions from participants, beneficiaries, ex-spouses and retirees. You can submit questions via email (info@r42pensionrecovery.com), or in writing to the Plan administrative offices -- Composition Roofers Local 42 Pension Plan, c/o American Benefit Corporation, 205 W 4th St #225, Cincinnati, OH 45202). You may also contact the Plan's administrative offices at (513) 977-3635.

Please Update Your Address!

Over the next several months, the Plan will be sending important updates and notices concerning the Pension Recovery program. In order to keep you properly informed, the Trustees would ask that you take the time to contact the administrative office to update your mailing address and email address (if available). The Trustees want to keep you informed and updated as to the status of the Pension Recovery efforts. You can contact the administrative office in writing, by telephone or by email (info@r42pensionrecovery.com).

Conclusion

The Board of Trustees has studied all options carefully and believes that the Pension Recovery Program is in the best interest of our group as a whole. No one associated with the Plan wants to reduce benefits, but it is the only way to sustain the Plan. We encourage you to carefully review the enclosed notice, the website and all other notices that follow. Your understanding and input is important to this process.

Sincerely,

The Board of Trustees

NOTICE OF A PROPOSED REDUCTION OF YOUR PENSION BENEFITS

On June 28, 2019 the Board of Trustees of the Composition Roofers Local 42 Pension Plan ("Plan") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Plan. This type of benefit reduction is allowed by the Federal law called the Multiemployer Pension Reform Act of 2014.

You are getting this notice because you have a pension benefit under the Plan. **The end of this notice describes the proposed reduction of your monthly payments.**¹ This notice will also answer the following questions for you—

1. Why is the Board of Trustees proposing to reduce benefits?
2. What will happen if the Plan runs out of money?
3. How did the Board of Trustees decide whose benefits to reduce and by how much?
4. What are the proposed reductions in benefits?
5. What comes next?

1. Why is the Board of Trustees proposing to reduce benefits?

The Plan's actuary estimated that, unless benefits are reduced, the Plan will not have enough money to pay benefits in 2030. This estimate is based on how much money the actuary expects the Plan to receive and to pay out each year. The Plan's actuary estimated that, with the reduction of benefits that the Board of Trustees has proposed, the plan should not run out of money.

2. What will happen if the Plan runs out of money?

If the Plan does not have enough money to pay benefits, then only the amount guaranteed by the Pension Benefit Guaranty Corporation ("PBGC") will be paid. You can find the amount of your benefit that is guaranteed by PBGC at the end of this notice.

3. How did the Board of Trustees decide whose benefits to reduce and by how much?

Under Federal law, the Board of Trustees must apply the following rules to the proposed reduction—

- The total reduction in everybody's benefits must be estimated to be large enough to keep the plan from running out of money but not larger than needed to do that.
- Your monthly benefit and the benefit of your beneficiary cannot be reduced below 110% of the amount guaranteed by PBGC.
- Disability benefits (as defined under the Plan) cannot be reduced.
- The benefits of people who are at least 80 years old on April 30, 2020 and their beneficiaries cannot be reduced.
- The benefits of people who are at least 75 years old on April 30, 2020 and their beneficiaries are partially protected, and the closer the person is to age 80 the less the benefits can be reduced.

¹ A version of this notice that does not include the estimate of the effect on your benefit is being sent to unions that represent Plan participants and to all contributing employers.

- The reduction of benefits must be spread fairly among the people who have a pension benefit under the Plan.

In deciding whether the proposed reduction is spread fairly, the Board of Trustees considered a list of factors contained in the applicable federal statutes and regulations. These factors include, but are not limited to: age and life expectancy, length of time in pay status, amount of benefit, type of benefit: survivor, normal retirement, early retirement, extent to which participant or beneficiary is receiving a subsidized benefit, extent to which participant or beneficiary has received post-retirement benefit increases, history of benefit increases and reductions, years to retirement for active employees, any discrepancies between active and retiree benefits, extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status, and the extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability.

The law allows the Pension Recovery Program to apply differently to various categories of groups within the Plan, but the Board ultimately decided to treat all participants, retirees, beneficiaries and ex-spouses as uniformly as possible. However, the law protects certain groups from a full suspension (those aged 80 and older are fully protected, those aged 75-79 have reduced suspensions and disabled participants are fully protected). The law also prevents the Board from reducing any person's benefits below 110% of the PBGC guarantee. Therefore, not everyone will receive the same suspension.

4. What are the proposed reductions in benefits?

The Board of Trustees proposes the following reduction of benefits: To the extent possible, the Board intends to implement a flat 45% suspension to all participants, retirees, beneficiaries and ex-spouses. Again though, the law protects certain groups from a full suspension (those aged 80 and older are fully protected, those aged 75-79 have reduced suspensions and disabled participants are fully protected). The law also prevents the Board from reducing any person's benefits below 110% of the PBGC guarantee. This means that MPRA will not have the exact same impact on everyone.

If approved, the suspension would go into effect on April 1, 2020. There would be no phase-in implementation of the suspension, and it is expected that the suspension will remain in place permanently. Currently, the Plan is expected to be insolvent by 2030. If the Pension Recovery Program is approved, the Plan is expected to remain solvent indefinitely.

5. What comes next?

Approval or denial of the application by the Treasury Department

The Treasury Department will review the application to see whether it meets all of the legal requirements under Federal law. If the application meets all of those requirements, the Treasury Department is required to approve the application. If the application does not meet the legal requirements, the Treasury Department will deny the application. The Treasury Department will have until February 2020 to make a decision.

You can get information from the Treasury Department

More information about the proposed benefit reductions and a copy of the application will be available at www.treasury.gov/mpra.

The application will be available on that website within 30 days after the Treasury Department receives it. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan will run out of money (that is, that the plan is in "critical and declining status"); 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is estimated not to run out of money, while not being larger than needed; and 3) the sensitivity of these estimates to the assumptions used.

The application describes the steps the Board of Trustees has already taken to keep the Plan from running out of money and why the Board of Trustees believes that a benefit reduction is the only remaining option to keep the Plan from running out of money. In addition, the application explains why the Board of Trustees believes that the proposed reduction is spread fairly among the people who have a pension benefit under the Plan.

The Treasury Department website will also provide updated information on the application, such as whether the application has been withdrawn.

For further information and assistance, you can also write to the Treasury Department at the following address:

Department of the Treasury
Attn: MPRA Office, Room 1204
1500 Pennsylvania Avenue, NW
Washington, DC 20220

You can comment on the application to reduce benefits

You will be able to submit a comment on the application by going to www.treasury.gov/mpra. Comments may also be mailed to the Treasury Department, at the address listed above. All interested parties can make comments, and the comments will be publicly available.

Retiree Representative

If a plan has 10,000 or more participants, the Board of Trustees must select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants as part of this process. A plan is required to pay the reasonable expenses of the retiree representative.

The Board of Trustees is not required to select a retiree representative, because the Plan has fewer than 10,000 participants. The Board of Trustees has not chosen to select a retiree representative.

Vote on the proposed benefit reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then you will have the opportunity to vote on the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the Treasury Department must allow the reduction of benefits to take effect. This means that not voting counts the same as a vote to approve the reduction.

Your right to see Plan documents

You may want to review Plan documents to help you understand your rights and the proposed reduction to your benefits. The Plan administrator must respond to your request for the following documents within 30 days:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements).
- The Plan's most recent summary plan description (SPD or plan brochure) and any summary of material modifications.
- The Plan's Form 5500 annual reports, including the accountant's report and audited financial statements, filed with the U.S. Department of Labor during the last six years.
- The annual funding notices furnished by the Plan during the last six years.
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years.
- The Plan's current rehabilitation plan, including contribution schedules, and, if the proposed benefit reduction goes into effect, annual plan-sponsor determinations that all reasonable measures to avoid running out of money continue to be taken and that the Plan would run out of money if there were no benefit reductions.
- Any quarterly, semi-annual, or annual financial reports prepared for the Plan by an investment manager, fiduciary, or other advisor and furnished to the Plan within the last six years.

The Plan administrator may charge you the cost per page to the Plan for the cheapest way of copying documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the Plan administrator's office, your worksite or union hall.

Your right to challenge incorrect calculations

If you think the Plan miscalculated the reduction to your benefits, then you have the right to submit a claim to the Plan to have the calculation corrected. The Plan's SPD tells you how to submit a claim. The SPD also describes your right to have a court review the Plan's final decision on your claim.

If you believe the information used to calculate your estimate at the end of this notice is wrong, please contact the Plan office at:

Composition Roofers Local 42 Pension Plan
c/o American Benefit Corporation
205 W 4th St #225
Cincinnati OH 45202
(513) 977-3635

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED

This estimate of the effect of the proposed reduction of benefits has been prepared for:

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2030. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC guaranteed level is \$246.68.

The estimate is based on the following information from Plan records:

- You have 6.9 years of credited service under the Plan as of April 1, 2020.
- You will be 72 years and 10 month(s) as of April 30, 2020.
- The portion of your benefit that is based on disability is 100%.
 - Note that under the law, those on 100% disability retirements will face no benefit reduction.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, taxes, deductions, changes in your status as an active, terminated or retired participant, the death of you or your spouse, changes in marital status, and/or approval of a new Qualified Domestic Relations Order (QDRO) or changes to an existing QDRO.

PLAN OFFICE CONTACT INFORMATION: If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at:

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c/o American Benefit Corporation
205 W 4th Street Ste #225
Cincinnati OH 45202
(513) 977-3635

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED

This estimate of the effect of the proposed reduction of benefits has been prepared for:

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2030. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC guaranteed level is \$650.63.

The estimate is based on the following information from Plan records:

- You have 19.2 years of credited service under the Plan as of April 1, 2020.
- You will be 80 years and 1 month(s) as of April 30, 2020.
 - Note that under the law, those 80 or older as of April 30, 2020 will face no benefit reduction.
- The portion of your benefit that is based on disability is 0%.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, taxes, deductions, changes in your status as an active, terminated or retired participant, the death of you or your spouse, changes in marital status, and/or approval of a new Qualified Domestic Relations Order (QDRO) or changes to an existing QDRO.

PLAN OFFICE CONTACT INFORMATION: If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at:

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c/o American Benefit Corporation
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Cincinnati OH 45202
(513) 977-3635

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED

This estimate of the effect of the proposed reduction of benefits has been prepared for:

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2030. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC guaranteed level is \$487.22.

Pursuant to the terms of your Qualified Domestic Relations Order (QDRO), your current monthly benefit is \$555.76. Under the proposed reduction your monthly benefit will be reduced to \$535.94 beginning on April 1, 2020.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your accrued benefit under the Plan. It is not a final benefit calculation. This estimate was prepared assuming that the proposed benefit reduction starts on April 1, 2020. If the benefit reduction starts later, the effect of the proposed reduction on your accrued benefit might be different.

This estimate is based on the following information from Plan records:

- Your benefit amount shown above is estimated over your former spouse's lifetime.
- The portion of your benefit that is based on disability is 0%.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to taxes, deductions, death and/or approval of a new QDRO or changes to an existing QDRO.

PLAN OFFICE CONTACT INFORMATION: If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at:

Composition Roofers Local 42 Pension Plan
c/o American Benefit Corporation
205 W 4th Street Ste #225
Cincinnati OH 45202
(513) 977-3635

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED

This estimate of the effect of the proposed reduction of benefits has been prepared for:

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2030. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC guaranteed level is \$505.35.

Your current monthly benefit is \$592.40. Under the proposed reduction your monthly benefit will be reduced to \$555.89 beginning on April 1, 2020.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your accrued benefit under the Plan. It is not a final benefit calculation. This estimate was prepared assuming that the proposed benefit reduction starts on April 1, 2020. If the benefit reduction starts later, the effect of the proposed reduction on your accrued benefit might be different.

This estimate is based on the following information from Plan records:

- You have 22.2 years of credited service under the Plan as of April 1, 2020.
- You will be 66 years and 5 month(s) as of April 30, 2020.
- The portion of your benefit that is based on disability is 0%.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, taxes, deductions, changes in your status as an active, terminated or retired participant, the death of you or your spouse, changes in marital status, and/or approval of a new Qualified Domestic Relations Order (QDRO) or changes to an existing QDRO.

PLAN OFFICE CONTACT INFORMATION: If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at:

Composition Roofers Local 42 Pension Plan
c/o American Benefit Corporation
205 W 4th Street Ste #225
Cincinnati OH 45202
(513) 977-3635

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED

This estimate of the effect of the proposed reduction of benefits has been prepared for:

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2030. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC guaranteed level is \$207.35.

If you start receiving your accrued benefit on 4/1/2020 in the form of a Life Annuity, your monthly benefit without the proposed reduction would be \$397.79. Under the proposed reduction your monthly benefit in the same form will be reduced to \$228.09.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your accrued benefit under the Plan. It is not a final benefit calculation. This estimate was prepared assuming that the proposed benefit reduction starts on April 1, 2020. If the benefit reduction starts later, the effect of the proposed reduction on your accrued benefit might be different.

This estimate is based on the following information from Plan records:

- You have 5.8 years of credited service under the Plan as of April 1, 2020.
- You will be 64 years and 6 month(s) as of April 30, 2020.
- The portion of your benefit that is based on disability is 0%.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, taxes, deductions, changes in your status as an active, terminated or retired participant, the death of you or your spouse, changes in marital status, and/or approval of a new Qualified Domestic Relations Order (QDRO) or changes to an existing QDRO.

PLAN OFFICE CONTACT INFORMATION: If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at:

Composition Roofers Local 42 Pension Plan
c/o American Benefit Corporation
205 W 4th Street Ste #225
Cincinnati OH 45202
(513) 977-3635

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED

This estimate of the effect of the proposed reduction of benefits has been prepared for:

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2030. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC guaranteed level is \$72.20.

If you start receiving your accrued benefit on 1/1/2024 in the form of a Life Annuity, your monthly benefit without proposed reduction would be \$84.16. Under the proposed reduction your monthly benefit in the same form would be reduced to \$79.42.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your accrued benefit under the Plan. It is not a final benefit calculation. This estimate was prepared assuming that the proposed benefit reduction starts on April 1, 2020. If the benefit reduction starts later, the effect of the proposed reduction on your accrued benefit might be different.

This estimate is based on the following information from Plan records:

- You have 3.3 years of credited service under the Plan as of April 1, 2020.
- You will be 54 years and 4 month(s) as of April 30, 2020.
- You have 3.3 years and months of vesting service as of April 1, 2020, but you must earn at least 5 years of vesting service to be 100% vested in your benefits.
- The portion of your benefit that is based on disability is 0%.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to your vesting service, the form of benefit you select at retirement, additional work history, taxes, deductions, changes in your status as a participant, the death of you or your spouse, changes in marital status, and/or approval of a new Qualified Domestic Relations Order (QDRO) or changes to an existing QDRO.

PLAN OFFICE CONTACT INFORMATION: If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at:

Composition Roofers Local 42 Pension Plan
c/o American Benefit Corporation
205 W 4th Street Ste #225
Cincinnati OH 45202
(513) 977-3635

ROOFERS42_0083

**Application for Approval of Benefit Suspension for the
Composition Roofers Local 42 Pension Plan**

EXHIBIT F

PROPOSED BALLOT

Ballot on the Pension Recovery Program for the Composition Roofers Local 42 Pension Plan

The MPRA Application for the Composition Roofers Local 42 Pension Plan was submitted on June 28, 2019 by the Board of Trustees in accordance with the Multiemployer Pension Recovery Plan of 2014 ("MPRA") and its regulations.

On [Insert Date], the MPRA Application was approved by the United States Secretary of Treasury, in consultation with the Pension Benefit Guaranty Corporation and the United States Department of Labor.

The next step is for all eligible voting participants to approve or reject the Pension Recovery Program. The proposed suspension of benefits set forth in the Pension Recovery Program will be effective for benefits paid on and after April 1, 2020 unless a majority of all eligible voters reject the proposed reduction of benefits; therefore, an individual's failure to cast a vote has the same effect as a vote to approve the reduction of benefits. This Ballot is required by Federal law to provide information and assistance to you in exercising your right to vote.

The Board of Trustees Recommends the Approval of the Pension Recovery Program

The Board of Trustees strongly recommends the approval of the Pension Recovery Program. This is designed to prevent the Plan from becoming insolvent and preserve your pension benefits as completely as possible. You have worked hard for your pension benefit. The intent of the Pension Recovery Program is to avoid insolvency, stop the Plan's funding decline, and allow the Plan to continue to provide benefits going forward. Our Pension Recovery Program will protect the older retirees and those who are disabled, but if the Plan were to become insolvent then all participants and retirees would face a deep reduction in benefits.

Description of the Proposed Benefit Reduction

You have already received an individual estimate illustrating the Pension Recovery Program's impact on your monthly benefit amount.

- The Pension Recovery Program will apply to benefits paid on and after April 1, 2020.
- The Board of Trustees proposes a uniform 45% benefit suspension for all participants, beneficiaries, alternate payees and retirees.
- The proposed suspension does not provide for different treatment of participants and beneficiaries, other than as a result of the individual limitations established by law (such as those age 75 and older, as well as those receiving a disability pension benefit).
- No participant, beneficiary or alternate payee will receive less than 110% of the amount guaranteed by the PBGC.

The Trustees have spent more than a year evaluating possible alternatives in an attempt to create an equitable plan that satisfies the requirements of MPRA. Some of the factors set forth in MPRA that the Board of Trustees considered while attempting to craft an equitable allocation of the benefit reductions included:

- 1— The age and life expectancy of the participant and beneficiary;
- 2 — The amount of benefits;
- 3 — The type of benefit, such as early retirement benefits;
- 4 — The extent to which a participant or beneficiary is receiving a subsidized benefit;
- 5 — The history of benefit increases and reductions for participants and beneficiaries;
- 6 — The differences between active and retiree benefits; and
- 7 — The extent to which active participants are reasonably likely to withdrawal support for the plan.

If the reduction in benefits is approved, the Pension Recovery Program will remain in effect indefinitely.

The Insolvency of the Composition Roofers Local 42 Pension Plan

Without the approval of the Pension Recovery Program, our Plan is scheduled to go insolvent by 2030, and possibly sooner. The insolvency of the Plan would result in the reduction of benefits to the amount of benefit guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"). The PBGC is a Federal agency that acts as an insurance company for pensions and guarantees a minimum benefit to participants and beneficiaries. Federal law requires that our Pension Recovery Program provide a benefit at least as much as 110% of the guaranteed benefit from the PBGC; thus, all Participants, Beneficiaries and Alternate Payees' monthly benefit would be higher if the proposed benefit reduction is approved than if the Plan is turned over to the PBGC. If the Pension Recovery Program is rejected, the Plan will soon become insolvent. As a result, all Participants, Beneficiaries and Alternate Payees would be reduced to the guaranteed amount by the PBGC. Individuals who retired on a Disability Pension and individuals who attained age 80 would be included in the reduction to the PBGC guaranteed benefit.

The Plan's actuary has certified that the approval and implementation of the Pension Recovery Program will avoid insolvency and allow the Plan to continue to pay the reduced benefits and future accrued benefits indefinitely. The actuary's projection is based on estimates of future hours worked for which contributions are due and the future investment returns of the Plan, and, is therefore subject to some uncertainty.

The Insolvency of the Pension Benefit Guaranty Corporation

The Pension Benefit Guaranty Corporation is expected to become insolvent in 2025, several years before the insolvency of our Plan. The insolvency of the PBGC would mean that the PBGC would not have enough money to provide the guaranteed benefit and your monthly benefit provided through the PBGC would be reduced to almost nothing. The MPRA Application and proposed suspension is structured to avoid the Plan's insolvency and the involvement of the PBGC, and ensure the continuation of your monthly benefit payments indefinitely. The Board of Trustees recommends you support and to approve the suspension.

[RESERVED FOR STATEMENT IN OPPOSITION TO THE PROPOSED SUSPENSION]

The Pension Recovery Program will go into effect on April 1, 2020 unless a majority of all eligible voters reject it. Not voting by the deadline is the same as approving the proposed reduction. To register your vote, please check one of the two boxes below, sign and print your name, date this ballot, and return the completed ballot to Board of Trustees, by [insert appropriate date].

☐ I approve the suspension of benefits.

☐ I reject the suspension of benefits.

Signed: _____

Name (printed): _____

Last four digits of SSN: _____

Date: _____

**Application for Approval of Benefit Suspension for the
Composition Roofers Local 42 Pension Plan**

EXHIBIT G

INFORMATION ON ACTUARIAL ASSUMPTIONS AND METHODS

Information on Actuarial Assumptions and Methods

Composition Roofers Local 42 Pension Plan

This document details the information requested in Revenue Procedure 2017-43 Appendix B on actuarial assumptions and methods that, pursuant to section 6.03 of this Revenue Procedure, must be described in an application for approval of a proposed benefit suspension under the Multiemployer Pension Reform Act of 2014 (MPRA).

Investment Returns

The components of both the current portfolio and target portfolio are detailed below:

Asset Class	Weight – Current Portfolio*	Weight – Proposed Future Portfolio**
US Equity – Large Cap	34%	30%
US Equity – Small/Mid Cap	11%	10%
Non-US Equity – Developed	11%	19%
Non-US Equity – Emerging	4%	6%
US Corporate Bonds – Core	30%	15%
Bank Loans (US Corporate Bonds – High Yield)	0%	5%
Real Estate	5%	7.5%
MLPs (Infrastructure)	5%	7.5%

* These portfolio weightings (and the consequent investment return assumptions) are used until the suspensions are in effect.

** These portfolio weightings are expected to go into effect as of the Suspension Effective Date (April 1, 2020), should this application for suspension be approved.

The Current Portfolio reflects the Plan's need for short-term, highly liquid assets to meet benefit payment needs in the short term due to the Plan's significant negative cash flow and expected insolvency. Should this Application be approved, these cash flow requirements will be diminished, allowing for an investment strategy that is more long-term, less conservative, and that seeks a higher yield, as shown in the Proposed Future Portfolio above. This new portfolio was designed to maximize returns given the Plan's decreased need for liquidity caused by the drop in negative cash flow pursuant to the approval of this Application. The mix could and should change in the future in response to any significant changes in market conditions or the Plan's situation (e.g. negative cash flow and expected insolvency), but there are no projected changes, other than those noted, incorporated into the projections provided.

Net investment return for deterministic projections:

Years	(1/1/2018 to 12/31/2028)	(1/1/2029+)
Total Expected Portfolio Return (Current Portfolio) *	6.03%	7.08%
Total Expected Portfolio Return (Proposed Future Portfolio) **	6.48%	7.43%

The net investment return assumptions used for the deterministic projections are based on the 10 and 20-year median returns shown on Exhibits 17 and 18 of the 2018 edition of the Horizon Survey of Capital Market Assumptions for each asset class. The inflation assumptions inherent in those returns are also shown on those exhibits. The associated standard deviations and correlation coefficients from Exhibit 15 were also used. The survey reports expectations based on indexed returns.

In developing our proposed assumption, we have conferred with the Plan's investment professionals as well as relied on our own professional knowledge in determining that the assumption is our best estimate for the purpose of this measurement. We are not investment professionals, and in developing our assumption, we consulted with our colleagues who work in this field for guidance as provided by the Actuarial Standards of Practice. All returns are assumed net of investment related expenses.

The investment return assumptions used for the deterministic projections vary between the 10 and 20-year projections, in line with the change in the net investment return assumptions for the asset classes between the 10 and 20-year horizons. As mentioned earlier, upon the approval of this Application, the change in the investment portfolio that would take place would be a direct result of the decreased negative cash flows and long-term outlook of the Plan. Until the suspension date, however, the current portfolio would remain in place in order to meet the liquidity needs of the Plan's current high negative cash flow position until expected insolvency.

Mortality Assumptions

Standard mortality tables were used.

Non-Disabled	RP-2014 with Blue Collar adjustment.
Disabled	RP-2014 Disabled Retiree.
Base Year Adjustment	2006 using Scale MP-2014.
Future Projections	Projected generationally using Scale MP-2017.

This Plan's participants consist primarily of blue collar workers. We have relied on the blue-collar mortality rates in the RP-2014 Mortality Tables Report issued by the Society of Actuaries as the mortality experience for this plan. As is explained in the Society of Actuaries release of Mortality Scale MP-2017, we have adjusted the base table to 2006 using MP-2014 and projected generationally using MP-2017.

Other demographic assumptions

Please see the attached Support for Significant Actuarial Assumptions and the summary included in the Supplemental Actuarial Information Report.

Assumptions regarding form and commencement age of benefits

Please see the attached Support for Significant Actuarial Assumptions and the summary included in the Supplemental Actuarial Information Report. The probability of any given payment form is independent of age and status.

The payment form election assumption incorporates the changes to the optional forms that would be implemented upon the approval of this Application. The assumed percentage of participants who are married is 80%, but the payment form election percentage is independent of the percent married assumption. Participants are assumed to elect payment forms at retirement as shown in the table below:

<u>Payment Form</u>	<u>% Electing</u>
Single Life Annuity	51%
Joint & 50% Survivor	15%
Joint & 75% Survivor	8%
Joint & 100% Survivor	26%

Assumptions regarding missing or incomplete data

We valued all participants that were provided to us by the Plan Administrator. Please see the attached Support for Significant Actuarial Assumptions, which details the assumptions used to fill in missing data. For those that are assumed to elect a payment form with a beneficiary, it is assumed that wives are 3 years younger than husbands.

New entrant profile

Entry Age	Sex	Entry Age Accrued Benefit	Entry Age Service	Weighted Percentage of New Entrants
22.5	M	\$238.71	1.300	15%
27.5	M	\$272.19	1.416	25%
32.5	M	\$209.00	1.281	21%
37.5	M	\$317.39	1.336	15%
42.5	M	\$248.27	1.218	15%
47.5	M	\$225.38	1.550	5%
55.0	M	\$267.04	1.133	4%

Please see the attached Support for Significant Actuarial Assumptions for more detail on the development of each profile.

Contribution rates and base units

Please see the attached Support for Significant Actuarial Assumptions for detail on the history of employers that contributed 5% or more of annual contributions to the plan.

The assumed average contribution rate (per hour worked) for each year during the projection period is \$4.56 in 2018, increasing to \$5.56 in years 2024 and later. This assumption is based on the most recent Plan Year average contribution rate and increases mandated by the most recently updated Rehabilitation Plan.

The assumed contribution base units for each year during the projection period is 250,000 hours. This assumes 1,278.82 hours per year per active participant. This represents the hours assumption used in the most recent Actuarial Report of 1,325 per active participant multiplied by the ratio of total assumed hours worked to hours worked in 2017 ($250,000 / 259,028$). It is assumed that the change in hours will be proportionate across all statuses for whom contributions are historically made to the Plan, as shown in the chart below. The “Non-Participant” group is made up of those who have not yet become participants in the Plan for whom required contributions are made. As this group historically makes up a non-trivial portion of contributory hours, it is assumed their future contributions will be affected in the same proportion as other groups in future years.

<u>Year-End Status</u>		Plan Year				
		2017	2016	2015	2014	2013
Non-Participant						
	Count*	87	67	59	37	30
	Contributions	\$87,219	\$55,532	\$54,021	\$25,777	\$37,694
	Hours	30,240	20,053	19,457	10,325	13,331
Active						
	Count*	173	175	178	170	171
	Contributions	\$1,038,179	\$1,002,087	\$906,142	\$856,140	\$784,096
	Hours	227,380	224,594	211,096	209,185	198,458
Disabled						
	Count*	0	0	0	0	1
	Contributions	\$0	\$0	\$0	\$0	\$1,120
	Hours	0	0	0	0	280
Retired						
	Count*	4	4	3	4	3
	Contributions	\$6,768	\$5,092	\$6,083	\$12,295	\$7,622
	Hours	1,408	1,094	1,378	2,903	2,052
Total						
	Count*	264	246	240	211	205
	Contributions	\$1,132,166	\$1,062,711	\$966,246	\$894,212	\$830,532
	Hours	259,028	245,741	231,931	222,413	214,121
* Count is those with a Contribution that is greater than \$0 for the year						

Historical trends in contribution rates and base units

Over the past 10 years, the construction industry in Southwest Ohio has seen significant volatility in its workflow. In 2007, the Plan had 332,523 hours worked, and the pipeline of future projects, membership, and contractors was strong. However, with the economic collapse of 2008, not only did the Plan have significant asset losses, it also saw a significant slowdown in work projects and in its pipeline of future construction projects. Similar to the rest of the economy, the industry saw a decline in available work as capital investment dried up, and this had a direct impact on work hours. Projects have begun returning, allowing the CBU's to increase, but not to pre-collapse levels, even a decade later.

Given the nature of construction industry work, much of the work hours needed and contributions received are based on project-driven work that is cyclical and volatile in nature. This volatility is exacerbated by the reliance on large projects in the jurisdiction of the local, as well as the impact of weather on roofing projects. The cycles shown are consistent with other local industries and reflect the cyclical nature of large project construction industry work.

Rationale for selection of contribution base unit (CBU) and contribution rate assumptions

We would note that this is a construction industry plan, and that the work is cyclical and large-project oriented in nature. Determining an ongoing assumption is difficult given the inherent inconsistency of CBU's from year to year. In a plan such as this, defining an ongoing assumption for hours presents numerous challenges including: uncontrollable market influences, shrinking market share due to stronger non-union competitors, the impact of the legislative environment, volatility of projects, the impact of weather-related project delays, and future predictions of labor and contractor supply.

When preparing our assumption, we have attempted to take into account this cyclical nature and that recent years are believed to have leveled off at a sustainable amount. This assumption further reflects significant input from the trustees as to the expected work going forward and represents our best estimate of ongoing average CBU's. We rely significantly on their industry expertise and experience in determining this assumption. While we would not expect every year to be flat, we believe predicting the timing of the peaks and troughs of the work cycle does not improve the prediction model and therefore does not provide the best estimate in future years. Instead we have used a reasonable estimate of the average ongoing CBU's expected in the future.

The contribution rate assumption reflects the rates negotiated in the current Rehabilitation Plan. We have not assumed any future additional contribution rate increases beyond these negotiated rate increases in our projections.

Employer withdrawals and withdrawal liability payments

No current withdrawal liability payments are recognized in our projections, as currently negotiated withdrawal liability payment streams being received have already been included as a receivable in the audited financial statements. No assumption has been made regarding future withdrawal liability payments expected to be collected. We have reflected already settled payments that have been deemed collectible. We have reflected that there are no other withdrawals that have currently been deemed collectible by the trustees, nor are we aware of employers who would be likely to withdraw from the Plan.

The Plan is a building and construction industry plan. As a result, a complete withdrawal occurs only if an employer ceases an obligation to contribute to the Plan and continues to perform work (or resumes such work within 5 years) in the jurisdiction of the collective bargaining agreement of the type for which contributions would have been due. Thus, if a contributing employer to the Plan closes its business and does not resume such work without an obligation to contribute, then no withdrawal has occurred.

Administrative expenses

Assumed administrative expenses paid by the plan, other than investment-related expenses, are assumed to be \$400,000 in the 2019 plan year; \$190,668 in the 2020 plan year, and increased 1% per year thereafter. The higher amount in the 2019 plan year reflects the cost of preparation, submission, and communication of this Application.

Projection methodology

No approximation or data grouping techniques were used. No changes were made to the programming of the actuarial software used, nor were modifications made to the resulting cash flow projections provided by such software.

**Support for Significant Actuarial Assumptions
Composition Roofers Local 42 Pension Plan**

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Exhibit I: Turnover Rates
Composition Roofers Local 42 Pension Plan

Turnover Rates by Age and Service

Age	Rates by service			
	0	1	2	>=3
15	20.00%	20.00%	20.00%	10.43%
16	20.00%	20.00%	20.00%	10.33%
17	20.00%	20.00%	20.00%	10.23%
18	20.00%	20.00%	20.00%	10.14%
19	20.00%	20.00%	20.00%	10.04%
20	20.00%	20.00%	20.00%	9.94%
21	20.00%	20.00%	20.00%	9.89%
22	20.00%	20.00%	20.00%	9.84%
23	20.00%	20.00%	20.00%	9.79%
24	20.00%	20.00%	20.00%	9.73%
25	20.00%	20.00%	20.00%	9.67%
26	20.00%	20.00%	20.00%	9.61%
27	20.00%	20.00%	20.00%	9.54%
28	20.00%	20.00%	20.00%	9.47%
29	20.00%	20.00%	20.00%	9.31%
30	20.00%	20.00%	20.00%	9.30%
31	20.00%	20.00%	20.00%	9.21%
32	20.00%	20.00%	20.00%	9.10%
33	20.00%	20.00%	20.00%	8.98%
34	20.00%	20.00%	20.00%	8.85%
35	20.00%	20.00%	20.00%	8.71%
36	20.00%	20.00%	20.00%	8.55%
37	20.00%	20.00%	20.00%	8.37%
38	20.00%	20.00%	20.00%	8.18%
39	20.00%	20.00%	20.00%	7.98%
40	20.00%	20.00%	20.00%	7.75%
41	20.00%	20.00%	20.00%	7.52%
42	20.00%	20.00%	20.00%	7.26%

Age	Rates by service			
	0	1	2	>=3
43	20.00%	20.00%	20.00%	6.98%
44	20.00%	20.00%	20.00%	6.68%
45	20.00%	20.00%	20.00%	6.35%
46	20.00%	20.00%	20.00%	6.01%
47	20.00%	20.00%	20.00%	5.62%
48	20.00%	20.00%	20.00%	5.20%
49	20.00%	20.00%	20.00%	4.73%
50	20.00%	20.00%	20.00%	4.22%
51	20.00%	20.00%	20.00%	3.68%
52	20.00%	20.00%	20.00%	3.12%
53	20.00%	20.00%	20.00%	2.57%
54	20.00%	20.00%	20.00%	2.03%
55	20.00%	20.00%	20.00%	1.55%
56	20.00%	20.00%	20.00%	1.12%
57	20.00%	20.00%	20.00%	0.77%
58	20.00%	20.00%	20.00%	0.49%
59	20.00%	20.00%	20.00%	0.29%
60	20.00%	20.00%	20.00%	0.15%
61	20.00%	20.00%	20.00%	0.06%
62	20.00%	20.00%	20.00%	0.02%
63	20.00%	20.00%	20.00%	0.00%
64	20.00%	20.00%	20.00%	0.00%
65	20.00%	20.00%	20.00%	0.00%
66	20.00%	20.00%	20.00%	0.00%
67	20.00%	20.00%	20.00%	0.00%
68	20.00%	20.00%	20.00%	0.00%
69	20.00%	20.00%	20.00%	0.00%
>=70	20.00%	20.00%	20.00%	0.00%

Exhibit II: Disability and Retirement Rates
Composition Roofers Local 42 Pension Plan

Disability rates

Age	Rate
15	0.045%
16	0.060%
17	0.060%
18	0.060%
19	0.075%
20	0.075%
21	0.075%
22	0.075%
23	0.090%
24	0.090%
25	0.090%
26	0.090%
27	0.105%
28	0.105%
29	0.105%
30	0.105%
31	0.120%
32	0.120%
33	0.135%
34	0.135%
35	0.150%
36	0.165%
37	0.180%

Age	Rate
38	0.180%
39	0.195%
40	0.210%
41	0.240%
42	0.255%
43	0.270%
44	0.285%
45	0.315%
46	0.345%
47	0.375%
48	0.405%
49	0.450%
50	0.495%
51	0.540%
52	0.600%
53	0.660%
54	0.750%
55	0.825%
56	0.915%
57	1.050%
58	1.185%
59	1.305%
>=60	0.000%

Retirement rates

Actives		Terminated Vested	
Age	Rate	Age	Rate
<=54	0%	<=54	0%
55	10%	55	10%
56	10%	56	10%
57	20%	57	20%
58	30%	58	50%
59	20%	59	10%
60	20%	60	10%
61	40%	61	10%
62	100%	62	10%
63	100%	63	50%
64	100%	64	50%
65	100%	65	50%
66	100%	66	20%
67	100%	67	20%
68	100%	68	20%
69	100%	69	20%
>=70	100%	>=70	100%

**Exhibit III: Development of Payment Form Election Assumption
Composition Roofers Local 42 Pension Plan**

Payment Form*	Actives	Inactives	Total	% of Total	Assumption	Included in Proposed Plan Amendment
Life Annuity	16	21	37	51%	51%	51%
Joint & 50% Survivor	4	1	5	7%	7%	15%
Joint & 50% Survivor with Pop-Up	4	2	6	8%	8%	
Joint & 66 2/3% Survivor	3	0	3	4%	4%	
Joint & 66 2/3% Survivor with Pop-Up	1	1	2	3%	3%	
Joint & 75% Survivor	1	0	1	1%	1%	8%
Joint & 75% Survivor with Pop-Up	0	0	0	0%	0%	
Joint & 100% Survivor	7	4	11	15%	15%	26%
Joint & 100% Survivor with Pop-Up	3	5	8	11%	11%	
Total	39	34	73	100%	100%	100%

*Based on participant data from January 1, 2011 to January 1, 2018.

**Exhibit IV: Assumptions Used to Fill in Missing Data
Composition Roofers Local 42 Pension Plan**

Data field	Assumption used	Status applicable
Member's Date of Birth	Date of Hire - 30 years	For all active participants
Beneficiary's Date of Birth	Member's Date of Birth +/- 3 years (plus (+) 3 years if member is a male, minus (-) 3 years if member is a female)	For all terminated vested participants or participants with Joint & Survivor payment forms
Date of Hire	Valuation date - Vesting Service	For all active and terminated vested participants

**Exhibit V: Termination Decrement Study
Composition Roofers Local 42 Pension Plan**

Termination study based on terminations from 2011 - 2016

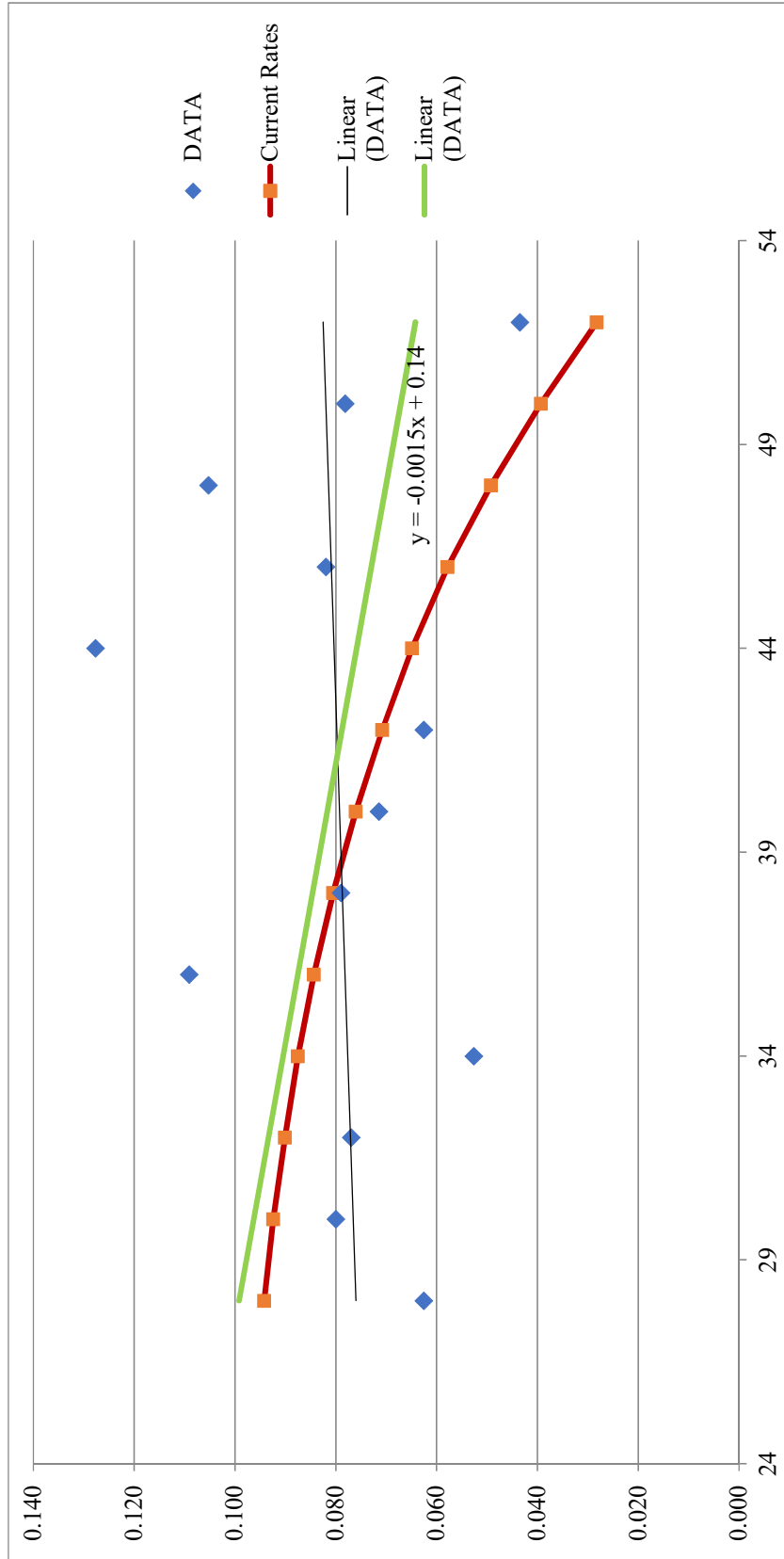
Service <3	Near age	Exposed	Actual Terminations	Expected Terminations	Actual q's	Expected q's	New
	<20	0	0	0	0	0	
	20-21	2	0	0.7	0	0.349601	
	22-23	3	0	1.05	0	0.349574	
	24-25	1	0	0.35	0	0.349521	
	26-27	3	0	1.05	0	0.349471	
	28-29	2	0	0.7	0	0.349442	
	30-31	34	8	11.88	0.235294	0.349314	
	32-33	25	5	8.73	0.2	0.349294	
	34-35	4	1	1.4	0.25	0.349142	
	36-37	2	0	0.7	0	0.349041	
	38-39	2	0	0.7	0	0.348916	
	40-41	2	1	0.7	0.5	0.348728	
	42-43	1	0	0.35	0	0.348584	
	44-45	4	1	1.39	0.25	0.348398	
	46-47	0	0	0	0	0	
	48-49	1	0	0.35	0	0.347819	
	50-51	0	0	0	0	0	
	52-53	0	0	0	0	0	
	54-55	0	0	0	0	0	
	56-57	0	0	0	0	0	
	58-59	0	0	0	0	0	
	60+	0	0	0	0	0	
	<Total>	86	16	30.03	0.186	0.349	0.2

**Exhibit V: Termination Decrement Study
Composition Roofers Local 42 Pension Plan**

Termination study based on terminations from 2011 - 2016

Service	Near age	Exposed	Actual Terminations	Expected Terminations	Actual q's	Expected q's
3+	<20	0	0	0	0	0
	20-21	0	0	0	0	0
	22-23	5	0	0.49	0	0.097853
	24-25	11	0	1.07	0	0.096878
	26-27	23	0	2.2	0	0.095529
	28-29	32	2	3.01	0.063	0.09418
	30-31	25	2	2.31	0.080	0.092396
	32-33	26	2	2.34	0.077	0.090081
	34-35	38	2	3.33	0.053	0.087501
	36-37	55	6	4.64	0.109	0.084336
	38-39	38	3	3.06	0.079	0.080484
	40-41	42	3	3.19	0.071	0.076014
	42-43	48	3	3.4	0.063	0.070744
	44-45	47	6	3.05	0.128	0.064875
	46-47	61	5	3.52	0.082	0.057783
	48-49	76	8	3.74	0.105	0.04922
	50-51	64	5	2.52	0.078	0.039308
	52-53	69	3	1.95	0.043	0.028213
	54-55	71	13	1.27	0.183	0.017942
	56-57	45	6	0.44	0.133	0.00969
	58-59	0	0	0	0	0
	60+	0	0	0	0	0
	<Total>	776	69	45.51	0.0889	0.0587

**Exhibit V: Termination Decrement Study
Composition Roofers Local 42 Pension Plan**



**Exhibit VI: Disability Decrement Study
Composition Roofers Local 42 Pension Plan**

Disability study based on disabilities from 2013 - 2018

Near age	Exposed	Actual Disabilities	Expected Disabilities	Actual q's	Expected q's	Ratio: Actual over Expected
<20	0	0	0	0	0	0
20-24	18	0	0	0.01	0	0.00078
25-29	68	0	0	0.06	0	0.000901
30-34	152	0	0	0.17	0	0.001099
35-39	109	0	0	0.17	0	0.001591
40-44	118	0	0	0.27	0	0.002289
45-49	133	0	0	0.46	0	0.003429
50-54	155	0	0	0.84	0	0.005438
55-59	104	3	0.96	0.028846	0.009191	3.138
60-64	17	0	0	0	0	0
65+	1	0	0	0	0	0
<Total>	875	3	2.94	0.003429	0.003361	1.02

Exhibit VII: Retirement Decrement Studies Composition Roofers Local 42 Pension Plan

Retirement Study based on retirements from 2013 - 2018
Active Participants

Near age	Exposed	Actual Retirements	Expected Retirements	Actual q's	Expected q's	Ratio: Actual over Expected	New q's	New Expected Retirements
<55	0	0	0	0	0	0	0%	0
55	25	3	0	0.12	0	0	10%	2.5
56	29	3	0	0.103448	0	0	10%	2.9
57	22	5	0	0.227273	0	0	20%	4.4
58	16	5	4.75	0.3125	0.296906	1.053	30%	4.8
59	10	2	2.47	0.2	0.247166	0.809	20%	2
60	6	1	1.2	0.166667	0.199372	0.836	20%	1.2
61	7	3	2.79	0.428571	0.398591	1.075	40%	2.8
62	3	1	3	0.333333	1	0.333	100%	3
63	0	0	0	0	0	0	100%	0
64	0	0	0	0	0	0	100%	0
65	0	0	0	0	0	0	100%	0
66	0	0	0	0	0	0	100%	0
67	0	0	0	0	0	0	100%	0
68	0	0	0	0	0	0	100%	0
69	0	0	0	0	0	0	100%	0
70+	1	1	1	1	1	1	100%	1
<Total>	119	24	15.21	0.201681	0.127803	1.578	0.206723	24.60

**Exhibit VII: Retirement Decrement Studies
Composition Roofers Local 42 Pension Plan**

**Retirement Study based on retirements from 2013 - 2018
Terminated Vested Participants**

Near age	Exposed	Actual Retirements	Expected Retirements	Actual q's	Expected q's	Ratio: Actual over Expected	New q's	New Expected Retirements
<55	0	0	0	0	0	0	0%	0
55	0	0	0	0	0	0	10%	0
56	0	0	0	0	0	0	10%	0
57	0	0	0	0	0	0	20%	0
58	16	8	7.9	0.50	0.49	1.01	50%	8
59	7	1	1.7	0.14	0.25	0.578	10%	0.7
60	8	1	2.0	0.13	0.25	0.502	10%	0.8
61	4	0	1.0	0.00	0.25	0	10%	0.4
62	1	0	0.3	0.00	0.25	0	10%	0.1
63	0	0	0.0	0.00	0.00	0	50%	0
64	1	1	0.5	1.00	0.50	2.01	50%	0.5
65	0	0	0.0	0.00	0.00	0	50%	0
66	1	0	0.2	0.00	0.20	0	20%	0.2
67	1	0	0.2	0.00	0.20	0	20%	0.2
68	1	0	0.2	0.00	0.20	0	20%	0.2
69	1	0	0.2	0.00	0.20	0	20%	0.2
70+	1	0	1.0	0.00	1.00	0	100%	1
<Total>	42	11	15.18	0.26	0.36	0.725	0.29	12.3

**Exhibit VIII: Liability Gain/Loss Analysis
Composition Roofers Local 42 Pension Plan**

Summary of gain/(loss)											
1. Year of Analysis											
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
2. Expected unfunded liability											
(a) Actuarial liability, beginning of year	37,115,091	39,166,289	37,564,646	39,789,023	40,863,015	41,996,096	42,825,434	43,812,447	44,676,930	49,636,818	50,569,299
(b) Assets, beginning of year	30,960,195	33,418,331	28,066,387	33,904,538	34,753,546	32,634,773	34,240,194	34,361,297	33,254,654	31,008,620	28,817,040
(c) Unfunded liability, beginning of year: (a)-(b)	6,154,896	5,747,958	9,498,259	5,884,485	6,109,469	9,361,323	8,585,240	9,451,150	11,422,276	18,628,198	21,752,259
(d) Normal cost	452,857	472,435	314,185	194,349	205,201	193,114	193,675	178,827	161,935	208,326	216,566
(e) Expected expenses, beginning of year	60,000	70,000	90,000	80,000	115,000	80,000	100,000	100,000	110,000	95,000	125,000
(f) Interest at Valuation Interest Rate on (c)+(d)+(e)	500,081	471,779	742,683	461,913	482,225	722,583	665,919	729,748	877,066	1,230,549	1,436,099
(g) Actual contributions, with interest to end of year	1,092,659	992,260	825,838	808,019	766,930	1,065,514	889,660	928,267	1,000,763	1,094,888	1,168,953
(h) Expected unfunded liability: (c)+(d)+(e)+(f)-(g)	6,075,175	5,769,912	9,819,289	5,812,728	6,144,965	9,291,506	8,655,174	9,531,458	11,570,514	19,067,185	22,360,971
3. Actual unfunded liability											
(a) Actuarial liability, end of year*	39,114,685	41,112,595	39,730,930	40,748,386	41,454,998	42,411,444	43,615,384	44,595,302	44,898,991	49,711,907	50,159,171
(b) Assets, end of year	33,418,331	28,066,387	33,904,538	34,753,546	32,634,773	34,240,194	34,361,297	33,254,654	31,008,620	28,817,040	26,405,030
(c) Actual unfunded liability: (a)-(b)	5,696,354	13,046,208	5,826,392	5,994,840	8,820,225	8,171,250	9,254,087	11,340,648	13,890,371	20,894,867	23,754,141
4. Total gain/(loss) for the year: (2)(h)-(3)(c)	378,821	(7,276,296)	3,992,897	(182,112)	(2,675,260)	1,120,256	(598,913)	(1,809,190)	(2,319,857)	(1,827,682)	(1,393,170)
5. Total gain/(loss), by source											
(a) Liability gain/(loss)	(365,134)	(348,603)	(1,052,951)	(227,595)	19,078	149,943	(313,348)	(408,649)	8,525	38,707	447,647
(b) Asset gain/(loss)											
(i) Assets, beginning of year	30,960,195	33,418,331	28,066,387	33,904,538	34,753,546	32,634,773	34,240,194	34,361,297	33,254,654	31,008,620	28,817,040
(ii) Interest at Valuation Interest Rate on (i)	2,322,015	2,506,375	2,104,979	2,542,840	2,606,516	2,447,608	2,568,015	2,577,097	2,494,099	2,015,560	1,873,108
(iii) Actual contributions, with interest to end of year	1,092,659	992,260	825,838	808,019	766,930	1,065,514	889,660	928,267	1,000,763	1,094,888	1,168,953
(iv) Actual benefit payments, with interest to end of year	1,635,993	1,847,636	2,041,764	2,461,334	2,674,256	2,792,014	2,943,507	3,103,966	3,294,264	3,334,464	3,480,129
(v) Actual expenses, with interest to end of year	75,704	97,738	86,147	120,039	82,834	103,059	101,786	111,386	98,165	129,581	154,698
(vi) Assets, end of year	33,418,331	28,066,387	33,904,538	34,753,546	32,634,773	34,240,194	34,361,297	33,254,654	31,008,620	28,817,040	26,405,030
(vii) Asset gain/(loss): (vi) - [(i)+(ii)+(iii)-(iv)-(v)]	755,159	(6,905,205)	5,035,245	79,522	(2,735,129)	987,372	(291,279)	(1,396,655)	(2,348,467)	(1,837,983)	(1,819,244)
(c) Expense gain/(loss)											
(i) Expected expenses, beginning of year	60,000	70,000	90,000	80,000	115,000	80,000	100,000	100,000	110,000	95,000	125,000
(ii) Interest at Valuation Interest Rate on (i)	4,500	5,250	6,750	6,000	8,625	6,000	7,500	7,500	8,250	6,175	8,125
(iii) Actual expenses, with interest to end of year	75,704	97,738	86,147	120,039	82,834	103,059	101,786	111,386	98,165	129,581	154,698
(iv) Expense gain/(loss): (i)+(ii)-(iii)	(11,204)	(22,488)	10,603	(34,039)	40,791	(17,059)	5,714	(3,886)	20,085	(28,406)	(21,573)
(d) Total: (a)+(b)+(c)	378,821	(7,276,296)	3,992,897	(182,112)	(2,675,260)	1,120,256	(598,913)	(1,809,190)	(2,319,857)	(1,827,682)	(1,393,170)

* Prior to changes due to Plan, Method and/or Assumption changes

**Exhibit IX: Actual Retirement Rates by Age
Composition Roofers Local 42 Pension Plan**

Active Retirements	Actual			Terminated Vested Retirements	Actual		
	Near age	Exposed *	Retirements		Near age	Exposed *	Retirements
<55	<55		0		<55		0
	55	25	3		55	0	0
	56	29	3		56	0	0
	57	22	5		57	0	0
	58	16	5		58	16	8
	59	10	2		59	7	1
	60	6	1		60	8	1
	61	7	3		61	4	0
	62	3	1		62	1	0
	63	0	0		63	0	0
	64	0	0		64	1	1
	65	0	0		65	0	0
	66	0	0		66	1	0
	67	0	0		67	1	0
	68	0	0		68	1	0
	69	0	0		69	1	0
	70	0	0		70	1	0
	71	0	0		71	0	0
	72	0	0		72	0	0
	73	1	1		73	0	0
	74	0	0		74	0	0
	75+	0	0		75+	0	0
<Total>	<Total>	119	24		<Total>	42	11
			0.20168				0.26190

* Based on participant data from January 1, 2013 to January 1, 2018.

**Exhibit X: Development of New Entrant Profile
Composition Roofers Local 42 Pension Plan**

Annual Accrued Benefit							Vested Service							
Age	2014	2015	2016	2017	2018	Total	Weight	Age	2014	2015	2016	2017	2018	Total
x < 20 Count: Mean:					1	283.08	0%	x < 20 Count: Mean:					1	1.80
20 <= x < 25 Count: Mean:	2	1	1	3	4	11	15%	20 <= x < 25 Count: Mean:	2	1	1	3	4	11
25 <= x < 30 Count: Mean:	5	5	2	4	3	19	25%	25 <= x < 30 Count: Mean:	5	5	2	4	3	19
30 <= x < 35 Count: Mean:	1	3	3	5	4	16	21%	30 <= x < 35 Count: Mean:	1	3	3	5	4	16
35 <= x < 40 Count: Mean:		3	2	5	1	11	15%	35 <= x < 40 Count: Mean:		3	2	5	1	11
40 <= x < 45 Count: Mean:	2	1	2	2	4	11	15%	40 <= x < 45 Count: Mean:	2	1	2	2	4	11
45 <= x < 50 Count: Mean:	1	1	1	1		4	5%	45 <= x < 50 Count: Mean:	1	1	1	1		4
50 <= x < 55 Count: Mean:			1	1		2		50 <= x < 55 Count: Mean:			1	1		2
55 <= x < 60 Count: Mean:			1			1		55 <= x < 60 Count: Mean:			1			1
60 <= x Count: Mean:						0		60 <= x Count: Mean:						0
50 <= x Count: Mean:	0	0	2	1	0	3	4%	50 <= x Count: Mean:	0	0	2	1	0	3
(missing) Count: Mean:		3	2	1		6		(missing) Count: Mean:		3	2	1		6
<Total>	11	17	15	22	17	82		<Total>	11	17	15	22	17	82
	254.313	289.426	248.904	242.678	250.299	256.65			1.336	1.394	1.260	1.259	1.376	1.32

**Exhibit X: Development of New Entrant Profile
Composition Roofers Local 42 Pension Plan**

1/1/2018 New Entrant

<u>Age Range</u>	<u>Age</u>	<u>Count</u>	<u>Weight</u>	<u>DOB *</u>	<u>Annual Accrued Benefit</u>	<u>Vested Service</u>
Below 25	22.5	11	15%	7/1/1995	238.71	1.300
25-29	27.5	19	25%	7/1/1990	272.19	1.416
30-34	32.5	16	21%	7/1/1985	209.00	1.281
35-39	37.5	11	15%	7/1/1980	317.39	1.336
40-44	42.5	11	15%	7/1/1975	248.27	1.218
45-50	47.5	4	5%	7/1/1970	325.38	1.550
50 and over	55	3	4%	1/1/1963	267.04	1.133

* Rounded to nearest month

**Exhibit XI: Contribution History for 5% Employers
Composition Roofers Local 42 Pension Plan**

2017 plan year 5% employers

Name	Contribution Base Units (Hours)*	Average Contribution Rate (\$/Hour)	Total Contributions
A.W. Farrell & Son	30,048	\$5.00	\$150,241
Dalton Roofing Co.	63,066	\$5.00	\$315,329
Imbus Roofing Co.	50,742	\$5.00	\$253,710
William Kramer & Sons	65,901	\$5.00	\$329,506

2016 plan year 5% employers

Name	Contribution Base Units (Hours)*	Average Contribution Rate (\$/Hour)	Total Contributions
A.W. Farrell & Son	25,295	\$4.80	\$121,414
Dalton Roofing Co.	58,844	\$4.80	\$282,450
Imbus Roofing Co.	39,176	\$4.80	\$188,046
William Kramer & Sons	74,960	\$4.80	\$359,807
Kelley & Carpenter	13,969	\$4.80	\$67,052

2015 plan year 5% employers

Name	Contribution Base Units (Hours)*	Average Contribution Rate (\$/Hour)	Total Contributions
A.W. Farrell & Son	31,336	\$4.60	\$144,144
Dalton Roofing Co.	46,051	\$4.60	\$211,833
Imbus Roofing Co.	36,287	\$4.60	\$166,922
William Kramer & Sons	62,729	\$4.60	\$288,552

2014 plan year 5% employers

Name	Contribution Base Units (Hours)*	Average Contribution Rate (\$/Hour)	Total Contributions
A.W. Farrell & Son	30,104	\$4.40	\$132,456
Dalton Roofing Co.	44,704	\$4.40	\$196,699
Imbus Roofing Co.	35,877	\$4.40	\$157,857
William Kramer & Sons	62,663	\$4.40	\$275,715

2013 plan year 5% employers

Name	Contribution Base Units (Hours)*	Average Contribution Rate (\$/Hour)	Total Contributions
A.W. Farrell & Son	30,154	\$4.20	\$126,645
Dalton Roofing Co.	44,460	\$4.20	\$186,732
Imbus Roofing Co.	32,646	\$4.20	\$137,115
William Kramer & Sons	73,544	\$4.20	\$308,885

**Exhibit XI: Contribution History for 5% Employers
Composition Roofers Local 42 Pension Plan**

2012 plan year 5% employers

Name	Contribution Base Units (Hours)*	Average Contribution Rate (\$/Hour)	Total Contributions
A.W. Farrell & Son	17,763	\$4.00	\$71,050
CLL Enterprises, Inc.	68,863	\$4.00	\$275,450
Dalton Roofing Co.	61,936	\$4.00	\$247,745
Imbus Roofing Co.	32,705	\$4.00	\$130,818

2011 plan year 5% employers

Name	Contribution Base Units (Hours)*	Average Contribution Rate (\$/Hour)	Total Contributions
A.W. Farrell & Son	21,552	\$3.60	\$77,587
CLL Enterprises, Inc.	72,756	\$3.60	\$261,922
Dalton Roofing Co.	55,087	\$3.60	\$198,313
Imbus Roofing Co.	38,538	\$3.60	\$138,735

2010 plan year 5% employers

Name	Contribution Base Units (Hours)*	Average Contribution Rate (\$/Hour)	Total Contributions
A.W. Farrell & Son	12,610	\$3.60	\$45,397
CLL Enterprises, Inc.	57,871	\$3.60	\$208,336
Dalton Roofing Co.	48,359	\$3.60	\$174,093
Imbus Roofing Co.	39,855	\$3.60	\$143,477
Kelley & Carpenter	13,773	\$3.60	\$49,584
The Zero Breeze Company	12,519	\$3.60	\$45,070

2009 plan year 5% employers

Name	Contribution Base Units (Hours)*	Average Contribution Rate (\$/Hour)	Total Contributions
A.W. Farrell & Son	12,948	\$3.40	\$44,022
CLL Enterprises, Inc.	64,502	\$3.40	\$219,306
Dalton Roofing Co.	50,721	\$3.40	\$172,452
Imbus Roofing Co.	39,870	\$3.40	\$135,559
Kelley & Carpenter	15,077	\$3.40	\$51,262
R.E. Forshee	28,286	\$3.40	\$96,173

* Estimated based on Journeyman contribution rate.

**Application for Approval of Benefit Suspension for the
Composition Roofers Local 42 Pension Plan**

EXHIBIT H

NARRATIVE STATEMENT

Narrative Statement of the Reason the Composition Roofers Local 42 Pension Plan is In Critical and Declining Status

In December 2017, the Center for Retirement Studies at Boston College released a special report entitled “Multiemployer Pension Plans: Current Status and Future Trends.”¹ This report details several characteristics that are common to plans that are facing insolvency, including the Composition Roofers Local 42 Pension Fund—a declining number of participants, a low funded ratio, a high percentage of inactives to total members and a high rate of negative cash flow. These factors and others have created a situation in which the Plan is likely to be insolvent in 2030 unless a MPRA application is approved.

Declining Number of Participants: A review of the actuarial valuation reports over the past 20 years show that there are fewer active participants to help support the Plan and pay accrued legacy costs. For the Plan year ending December 31, 2001, the valuation showed 326 active participants. This was the highest level of actives over the past 20 years. By the end of the 2014 Plan year, there were only 170 active participants, a decline of 48%. Although the numbers have stabilized and the Plan has grown slightly, it is not reasonable to assume that the number of actives will ever approach the levels of 2001. Roofing is a very physical trade and it is difficult for the Union and Employers to find individuals who are interested in a long-term roofing career. Additionally, as explained above, there is more competition in the market than in years’ past, primarily from contractors pay relatively low wages and benefits.

High Percentage of Inactives to Total Participants: Like most mature plans, the Composition Roofers Local 42 Plan has seen an increase in the proportion of inactive former participants, retirees and beneficiaries. For the Plan year ending December 31, 2001, the valuation reports show active participants were 63% of the overall participant population. By the end of the 2016 plan year, the valuation report showed actives had dipped to 36% of the overall participant population. While these numbers have stabilized, it is not reasonable to assume the ratio will improve dramatically over the next several years. This imbalance means that higher contribution rates and lower benefit accruals have much less impact than in years past.

Historic Market Downturns and Declining Funded Ratio: For the Plan year ending 1999, the real funded ratio was 130.9% and the Plan was fiscally strong. Unfortunately, over the ensuing three years, the Plan investment returns averaged annual losses of 3.5%. This obviously had a negative impact on the funding ratio. In the years leading up to the 2008 market crash, the Plan slowly

¹ Alicia H. Munnell, Jean-Pierre Aubry & Caroline V. Crawford, Ctr. for Retirement Research at Bos. College, Multiemployer Pension Plans: Current Status and Future Trends (2017), available at <http://crr.bc.edu/special-projects/special-reports/multiemployer-pension-plans-current-status-and-future-trends/>.

regained ground that had been lost. Returns over that period averaged 10.22% and the real funded ratio reached 96.5%. The 2008 market crash was in many ways the death knell for the long-term solvency of the Plan. Despite the diversification of investments, the Plan suffered a 28.7% loss for the Plan year ending 2008 and the funded ratio dropped to 62.3%. By the end of the 2016 Plan year, the funded ratio declined to 49.7%.

Negative Cash Flow: For the Plan year ending 1999, the real funded ratio was 130.9% and the Plan's negative cash flow was a very manageable (0.2%). Just prior to the 2008 market crash, the negative cash flow was only (1.8%). Since that time the negative cash flow has grown to (9.1%). This is obviously not sustainable and will continue to grow, making it impossible for the Plan to remain solvent.

Decline in Greater Cincinnati Construction Activity: According to the Construction Start Statistics from Dodge & Data Analytics, overall construction activity in the Greater Cincinnati area dropped dramatically following the 2008 market crash. In the five years prior to 2008, construction starts in the Greater Cincinnati area averaged 13.668 million sq. ft. The five years following saw the average construction starts fall to an average of only 5.938 million sq. ft., a decline of over 56%. This trend is generally reflected in the work hours reported to the Plan during the same time period. In the five years prior to 2008, the Plan averaged 338,758 work hours. In the five years after, this fell to an average of 223,839 hours, or a decline of 34%.

**Application for Approval of Benefit Suspension for the
Composition Roofers Local 42 Pension Plan**

EXHIBIT I

POWER OF ATTORNEY

**Power of Attorney and Declaration of Representative before the Department of the
Treasury for the Composition Roofers Local 42 Pension Plan**

Applicant

Plan Name: Composition Roofers Local 42 Pension Plan

Plan Address: 205 W. 4th Street, Ste. 225
Cincinnati, OH 45202

EIN: 31-6127285

Plan Number: 001

Plan Contact: Rodney Toole
P: (513) 381-6886
F: (513)381-0238
E: info@r42pensionrecovery.com

Applicant hereby appoints the following representative(s) as attorney(s)-in-fact to represent the taxpayer before the Department of the Treasury and perform acts related to the attached application dated June 28, 2019 for suspension of benefits under Section 432(e)(9) of the Internal Revenue Code of 1986, as amended.

Representative Information No. 1:

Name: Michael A. Ledbetter

Title: Fund Attorney

Address: Ledbetter Parisi LLC
2449 North Delaware Street
Indianapolis, IN 46205

Telephone: (937) 619-0900

Fax: (937) 619-0999

Email: ledbetter@fringebenefitlaw.com

EIN: 03-0599899

Send copies of notices and communications to representative: **YES.**

With the exception of the acts described below, I authorize my representative(s) to receive and inspect my confidential tax information and to perform acts that I can perform with respect to the attached application dated June 28, 2019 for suspension of benefits under Section 432(e)(9). For example, my representative(s) shall have the authority to sign any agreements, consents, or similar documents.

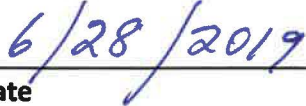
Specific acts not authorized: None.

Signature of Applicant and Date



Mr. Thomas Dalton

Authorized Trustee on behalf of the
Board of Trustees for the Composition
Roofers Local 42 Pension Plan



Date



Mr. Rodney Toole

Authorized Trustee on behalf of the
Board of Trustees for the Composition
Roofers Local 42 Pension Plan



Date

Declaration of Representative No. 1

Under penalties of perjury, by my signature below I declare that:

- I am not currently suspended or disbarred from practice before the Internal Revenue Service;
- I am authorized to represent the Applicant for the matter(s) specified in this Power of Attorney and Declaration of Representative; and
- I am one of the following:
 - ☒ a. Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
 - b. Certified Public Accountant—duly qualified to practice as a certified public accountant in the jurisdiction shown below.
 - c. Enrolled Agent.
 - d. Officer—a bona fide officer of the Applicant.
 - e. Full-Time Employee—a full-time employee of the Applicant.
 - f. Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Internal Revenue Service is limited by section 10.3(d) of Circular 230).
 - g. Enrolled Retirement Plan Agent.

Licensing Jurisdiction: Ohio, Indiana, Michigan

Bar No.: 0068472 (OH), 34853-49 (IN), P80758 (MI)

CAF No.: 0306-88056R

Signature of Representative and Date:



Michael A. Ledbetter, Esq.



Date

Representative Information No. 2

Name: Jason Birkle, EA, MAAA, ASA

Address: Cuni, Rust & Strenk
4555 Lake Forest Drive, Suite 620
Cincinnati, Ohio 45242

Telephone: (513) 985-6184

Fax: (513) 985-6185

Email: jason.birkle@crsact.com

EIN: 31-1227755

With the exception of the acts described below, I authorize my representative(s) to receive and inspect my confidential tax information and to perform acts that I can perform with respect to the attached application dated June 28, 2019 for suspension of benefits under Section 432(e)(9). For example, my representative(s) shall have the authority to sign any agreements, consents, or similar documents.

Specific acts not authorized: None.

Signature of Applicant and Date

Mr. Thomas Dalton
Authorized Trustee on behalf of the
Board of Trustees for the Composition
Roofers Local 42 Pension Plan

6/28/2019
Date



Mr. Rodney Toole
Authorized Trustee on behalf of the
Board of Trustees for the Composition
Roofers Local 42 Pension Plan

6/28/2019
Date

Declaration of Representative No. 2

Under penalties of perjury, by my signature below I declare that:

- I am not currently suspended or disbarred from practice before the Internal Revenue Service;
- I am authorized to represent the Applicant for the matter(s) specified in this Power of Attorney and Declaration of Representative; and
- I am one of the following:
 - a. Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
 - b. Certified Public Accountant—duly qualified to practice as a certified public accountant in the jurisdiction shown below.
 - c. Enrolled Agent.
 - d. Officer—a bona fide officer of the Applicant.
 - e. Full-Time Employee—a full-time employee of the Applicant.
 - ☒ f. Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Internal Revenue Service is limited by section 10.3(d) of Circular 230).
 - g. Enrolled Retirement Plan Agent.

Enrollment Number: 17-07856

Signature of Representative and Date:



Jason C. Birkle, EA, MAAA, ASA



Date

**Application for Approval of Benefit Suspension for the
Composition Roofers Local 42 Pension Plan**

EXHIBIT J

PLAN DOCUMENTS

COMPOSITION ROOFERS LOCAL 42

PENSION PLAN

**Restated and Amended
Effective January 1, 2015**

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COMPOSITION ROOFERS NO. 42 PENSION PLAN

AS RESTATED AND AMENDED

This Restated and Amended Pension Plan is hereby updated effective as of January 1, 2015, except as otherwise noted, in accordance with the powers granted to the undersigned Trustees in the COMPOSITION ROOFERS NO. 42 PENSION FUND AGREEMENT AND DECLARATION OF TRUST.

PREAMBLE

On December 14, 1964, the Trustees of the Composition Roofers No. 42 Pension Fund, pursuant to the Agreement and Declaration of Trust effective December 14, 1964, adopted a certain Plan effective June 1, 1964, which provided pension benefits to eligible Employees. The said Pension Plan was amended from time to time, but with the purpose of this Plan remaining that of providing such pension benefits for all Employees and Beneficiaries (as defined herein) who satisfy the requirements with respect to eligibility contained in the Plan.

This Plan is intended to consolidate and update the Plan, with all amendments thereto, into one document to comply with all applicable laws, and is further intended to meet the applicable requirements of the Internal Revenue Code of 1986, as amended (hereinafter referred to as "IRC"), and the Employee Retirement Income Security Act of 1974. Certain amendments are now incorporated in this Restatement (i.e., principally those made to comply with certain requirements of the Pension Protection Act of 2006 (PPA), the final Section 415 regulations of the Internal Revenue Code, the Heroes Earnings Assistance and Relief Tax Act, the Worker, Retiree, and Employer Recovery Act, the United States v. Windsor decision and other applicable rules and regulations).

ARTICLE I

DEFINITIONS

The following terms used herein shall have the following respective meanings, unless the context clearly indicates otherwise:

1.1 "Accrued Benefit" of a Participant means that amount, as determined as of any specified date, which is equal to his annual Normal Retirement Benefit computed in accordance with Article IV of the Plan, but based on Credited Service and contributions to the given date.

1.2 "Actuarial Equivalent" means an alternative benefit or payment which has a one-sum value equivalent to the one-sum value of the benefit or payment which it replaces, computed on the basis of the following actuarial assumptions:

Interest: 7.0%

Mortality: UP 1984 Mortality Table

Effective for benefits, the distribution of which commences in a Plan Year beginning on or after January 1, 1987 but prior to December 31, 2000, the Actuarial Equivalent lump sum shall be determined using the interest rates specified above or the following interest rates, whichever results in the greater Actuarial Equivalent benefit: the interest rate which would be used (as of the date of distribution) by the Pension Benefit Guaranty Corporation to value a benefit upon termination of an insufficient trustee single-employer plan or 120 percent of that interest rate if the Actuarial Equivalent lump sum exceeds \$25,000 (provided, that the use of this 120 percent rate shall not result in an Actuarial Equivalent lump sum of less than \$25,000).

Effective for benefits the distribution of which commences in a Plan Year beginning on or after January 1, 2000, Actuarial Equivalency shall be determined on the basis of 7.0% interest and UP 1984 Mortality Table or the Applicable Interest Rate and Applicable Mortality Table set forth in IRC Section 417(e), whichever produces the greater benefit.

The Applicable Interest Rate is the rate of interest on 30-year Treasury securities as specified by the Commissioner for the look-back month for the stability period. The look-back month applicable to the stability period is the 2nd calendar month preceding the first day of the stability period. The stability period is the successive period of one Plan Year that contains the Annuity Starting Date for the distribution and for which the Applicable Interest Rate remains constant.

A plan amendment that changes the date for determining the Applicable Interest Rate (including an indirect change as a result of a change in Plan Year), shall not be given effect with respect to any distribution during the period commencing one year after the later of the amendment's effective date or adoption date, if, during such period and as a result of such amendment, the Participant's distribution would be reduced.

The IRC Section 417 "Applicable Mortality Table" for distributions commencing prior to January 1, 2003, is set forth in Rev. Rul. 95-6. The IRC "Applicable Mortality Table" for distributions commencing on or after January 1, 2003, shall be as set forth in Rev. Ruling 2001-62. Additionally, any references in the Plan to the "Applicable Mortality Table" or the mortality table set forth in Rev. Ruling 95-6 shall (beginning January 1, 2003) be construed as a reference to the mortality table prescribed by Rev. Ruling 2001-62.

For lump sum payments on and after January 1, 2008, the "Actuarial Present Value" shall be determined by using the "Applicable Interest Rate" and "Applicable Mortality Table" set forth in this Subsection:

- (a) The Applicable Interest Rate shall be the interest rate prescribed under IRC Section 417(e)(3)(C), which is the applicable first, second and third segment rates (as defined in IRC Section 417(e)(3)(D)) for the second calendar month preceding the first day of the Plan Year that contains the date of distribution, or such other time as may be prescribed by the Secretary of Treasury, for the second month preceding the first day of the Plan Year in which the distribution was made. The Plan Year is the stability period under Treasury Regulation § 1.417(e)-1(d)(4).

- (b) The Applicable Mortality Table shall be the mortality table prescribed in regulations under IRC Section 417(e)(3)(B), as such table may be modified by the Secretary of Treasury, for use in the Plan Year that contains the date of distribution.

1.3 The term "Actuary" means any individual who has satisfied the standards and qualifications as set forth in the regulations of the Joint Board for the Enrollment of Actuaries and who has been approved as an enrolled actuary to perform actuarial services required under the Employee Retirement Income Security Act of 1974 (ERISA).

1.4 The term "Administrator" means the Board of Trustees.

1.5 The term "Annuitant" means an Employee who is receiving retirement benefits under this Plan.

1.6 The "Annuity Starting Date" is the first day of the first period for which a benefit is payable as an annuity.

1.7 "Association" shall mean the Greater Cincinnati Roofing Contractors Association, or its corporate successor.

1.8 The term "Beneficiary" means a person designated by a Participant or by the terms of the Plan who is or may become entitled to a benefit thereunder.

1.9 "Break in Service" means: Any Plan Year during which an Employee has not completed an Hour of Service.

1.10 "Collective Bargaining Agreement" shall mean any written contract by and between the Union and the Employers as defined herein and shall also include any and all extensions thereof, renewal or renewals thereof, any amendments or addenda thereto, any assents to participation, and any subsequent Collective Bargaining Agreements, which provide pension contributions to be made to this Plan, Trust and Fund as presently existing or as hereafter amended.

1.11 The term "Consultant" means any person or entity who for compensation, advises, represents and provides other assistance to the Trustees concerning the operation of the Plan.

1.12 The term "Contributions" means the payments required, whether paid or owed, of any Employer to the Trust Fund as required by the Collective Bargaining Agreement.

1.13 "Covered Employment" shall mean employment by an Employee for which the Employer has agreed to contribute to the Fund under the Collective Bargaining Agreement with the Union or under any other written agreement. Covered Employment shall include employment with the Union as an Employee of the Union or of the Fund, or as an elected or an appointed Official of the Union, insofar as the Union or the Fund makes contributions to the Fund with respect to said employment.

1.14 "Credited Service" of an Employee is the time computed in accordance with Article II hereof, to determine Employee's eligibility for benefits hereunder. Credited Future Service is any Credited Service after June 1, 1964.

1.15 The term "Custodian" means one who is officially entrusted with guarding and keeping records and documents of the Trust Fund.

1.16 The term "Employee" shall include:

- (a) All the employees working or available for work in the Collective Bargaining Unit of the Union and represented for the purpose of collective bargaining by the Union who are employed by Employers who are signatory to the Trust Agreement or who signify their intention to be bound by this Trust Agreement by signing an Assent of Participation and by making payments into the Fund hereby created.
- (b) Elected or appointed Officers or Employees of the Union, providing that the Trustees agree to accept such Officers and Employees.
- (c) Employees, if any, of the Trust Fund who are proposed and accepted for such benefits by the Trustees. As to such personnel who are Employees of the trust Fund, the Trustees shall be deemed to be an Employer within the meaning of this

Trust Agreement, and may provide benefits for said Employees out of said Trust Fund.

- (d) A person, represented by or under the jurisdiction of the Union, who shall be employed by a Governmental Unit or Agency, and on whose behalf payment of contributions shall be made at the times and at the rate of payment equal to that paid by an Employer, as defined in Section 1.17 of this Article, in accordance with a written agreement, ordinance or resolution.

1.17 The term "Employer" means and shall be deemed to include any person, firm, association, partnership or corporation employing Employees working in the Collective Bargaining Unit of the Union as well as Employers who employ persons represented for purposes of collective bargaining by the Union and who signify their intentions to be bound by the provisions of the Declaration of Trust by signature hereto, or by signing an Assent of Participation, and by making payments into the fund hereby created. This Section shall also include the Composition Roofers Local No. 42, as an Employer for those Employees working in full time capacities of the Union. The term "Employer" as used in this Plan shall be further deemed to include the Trust itself.

1.18 The term "ERISA" means the Employee Retirement Income Security Act of 1974 and any amendments thereto, together with any regulations promulgated pursuant to its provisions.

1.19 "Hour of Service" means:

- (a) Each hour for which an Employee is paid, or entitled to payment, for the performance of duties for the Employer. These hours shall be credited to the Employee for the computation period or periods in which the duties are performed; and
- (b) Each hour for which an Employee is paid, or entitled to payment, by the Employer on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence. No more than 501 Hours of Service shall be credited under this paragraph for any single continuous period (whether or not such period occurs in a single computation period). Hours under this paragraph

shall be calculated and credited pursuant to Section 2530.200b-2 of the Department of Labor Regulations which are incorporated herein by this reference; and

- (c) Each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Employer. The same Hours of Service shall not be credited both under paragraph (a) or (b) as the case may be, and under this paragraph (c). These hours shall be credited to the Employee for the computation period or periods to which the award or agreement pertains rather than the computation period in which the award, agreement or payment is made.
- (d) No Hours of Service will be counted as Hours of Service under Section unless the Employee furnishes to the Plan Administrator such timely information the Plan Administrator may reasonably require.

1.20 "Investment Manager" means any person, firm or corporation who has been appointed by the Trustees as such and has evidenced acknowledgement and acceptance of such appointment by a document signed in writing and returned to the Trustees and who is:

- (a) Registered as an Investment Advisor under the Investment Advisor's Act of 1940;
- (b) Is a Bank as defined in that Act; or
- (c) Is an Insurance Company qualified under the laws or more than one State to have the power to manage, acquire or dispose of the assets of Trust Funds such as this Fund.

1.21 The term "Participant" means any Employee or former Employee of an Employer who is or may be eligible to receive a benefit of any type from the Fund or whose Beneficiaries may be eligible to receive any such benefit.

- (a) Employees in Covered Employment prior to January 1, 2004: shall be considered a Participant upon the completion of one Hour of Service for which contributions are made to the Fund on his behalf.
- (b) Employees who begin work in Covered Employment on or after January 1, 2004: shall be considered a Participant in the Plan the first month following the month in which he is credited with 1,000 Hours of Service for contributing Employers. Employees who sign and file a valid Reciprocity Agreement will have contributions transferred to their Home Local Fund, and will not become Participants of the Composition Roofers Local No. 42 Pension Plan.

1.22 The term "Party in Interest" means such persons and entities as defined in ERISA.

1.23 "Plan" means the Composition Roofers No. 42 Pension Plan effective January 1, 1964.

1.24 "Plan Year" means the 12 consecutive month period beginning on January 1 and ending on December 31.

1.25 "Qualified Election" shall mean a waiver in writing of a Qualified Joint and Survivor Annuity. The waiver must be signed by the Participant and the Participant's Spouse and the Spouse's signature must be witnessed by a Notary Public or a Plan representative.

1.26 "Qualified Joint and Survivor Annuity," as used herein, means an annuity for the life of the Employee with a survivor annuity for the life of his Spouse which is equal to the annuity payable during the joint lives of the Employee and his Spouse and which is the Actuarial Equivalent of a single Life Annuity on the life of the Employee.

1.27 "Required Beginning Date" shall mean April 1 of the calendar year following the year the Participant attains age 70½.

1.28 "Spouse" means the person to who to a Participant is legally married. Whether a marriage is legal shall be determined by federal law and shall include a same-sex Spouse where the Participant and Spouse were legally married in a state that recognizes same-sex marriages. A Spouse may also be a former Spouse designated as a surviving Spouse by the terms of a valid Qualified Domestic Relations Order.

1.29 "Trust" means the Declaration of Trust establishing the Composition Roofers, Local 42, Pension Plan dated December 4, 1964, and any amendments thereto.

1.30 The term "Trust Fund" shall mean the Composition Roofers No. 42 Pension Fund established pursuant to the terms of the Declaration of Trust as described herein. It shall include but not be limited to all funds received in the form of contributions, together with all contracts,

including dividends, interest, refunds, transfers of funds under reciprocity, and any other sums payable to the Trustees on account of such contracts, all investments made and held by the Trustees, all income, increments, earnings and profits therefrom, and any and all other property or funds received and held by the Trustees by reason of their acceptance of this Declaration of Trust. Employer Contributions owed but not paid are also considered assets of the Trust Fund.

1.31 "Trustee" means the Trustees and their successors, appointed to administer the Plan. The Trustees are named fiduciaries for the Plan.

1.32 "Union" as used in this Plan means the United Union of Roofers, Waterproofers and Allied Workers, Local Union No. 42.

1.33 "Year of Service" means one thousand (1,000) or more Hours of Service in Covered Employment during a Plan Year. If less than one thousand (1,000) Hours of Service are earned in a given year, a partial credit of one-tenth ($1/10^{\text{th}}$) of the year for each one hundred (100) hours worked will be credited in accordance with Article II hereunder.

ARTICLE II

CREDITED SERVICE

2.1 Credited Service. The Credited Service of an Employee is the time computed in accordance with the following schedule:

- (a) Credited Service Between June 1, 1964 and May 31, 1976. For such Plan Years beginning on or after June 1, 1964, and through May 31, 1976, an Employee shall accrue one (1) year of Credited Service if contributions have been made on his behalf to the Trust Fund for one thousand (1,000) or more hours. If contributions have been made for less than one thousand (1,000) hours, he shall be credited with one-tenth (1/10th) of a year for each one hundred (100) such hours.
- (b) Credited Service after June 1, 1976. For each Plan Year beginning on or after June 1, 1976, an Employee shall accrue one (1) year of Credited Service if he completes one thousand (1,000) or more Hours of Service in such Plan Year. If he complete less than one thousand (1,000) Hours of Service, he shall be credited with one-tenth (1/10th) of a year for each one hundred (100) such hours.

2.2 Break in Service. The continuity of Covered Employment shall be considered an essential element under this Plan. The continuity of Covered Employment shall be considered broken, and except for Employees having a vested interest defined by Article III, all previously accumulated pension credits shall be cancelled, if an Employee is charged with five (5) consecutive one year Breaks in Service.

If an Employee who does not retain a vested right in his Accrued Benefit according to Section 3.4 and who has suffered at least a one year Break in Service, but who has not been charged with five (5) consecutive one year Breaks in Service, again becomes a Participant in the Plan according to Section 1.21, shall have his prior Service and Accrued Benefit restored.

Similarly, if a Participant who is vested in his Accrued Benefit under the terms of Section 3.4 returns to Covered Employment and again becomes a Participant according to Section 1.21, he shall have his Service and Accrued Benefit restored, and any subsequent Service and Benefits earned will be added to those respective amounts.

2.3 Grace Period from Breaks in Service. It shall not be considered a break in Covered Employment and an Employee shall be granted a grace period if his failure to earn an Hour of Service in any period of time equivalent to the period as set forth in Section 2.2 hereof is due to the following:

- (a) Injury or sickness which prevented him from working as a roofer, in which case a grace period of up to three (3) years will be allowed during the continuance of such disability, but in the case of a Pensioner receiving Disability Pension Benefits, the grace period shall not be granted for any less than that period of time for which he is receiving such Disability Pension. Disability for the purpose of this Section of the Plan is to be determined in the sole satisfaction of the Trustees. In order to secure the benefit of the disability grace period, an Employee must give written notice to the Trustees that he is disabled. No grace period shall be granted for any period prior to one (1) year preceding the receipt of such written notice, unless the Trustees find there are extenuating circumstances which prevent timely filing.
- (b) Military service in the Armed Forces of the United States, in which case a grace period shall be granted for the entire time the Employee was engaged in such military service, provided he makes himself available for work in Covered Employment within ninety (90) days after separation from active service in the Armed Forces, or within ninety (90) days after recovery from a disability incurred during military service. Effective January 1, 2007, any Participant killed during a period of qualifying military service will be credited with Hours of Service as if he were reemployed the day prior to his death. The manner of calculating the Hours of Service to be credited to the Participant will be solely at the discretion of the Board of Trustees.
- (c) After the last contribution date, the promotion of an Employee by an Employer to an employment category not covered by the Collective Bargaining Agreement in effect between the Employer and Union, or an Employee's acceptance of full time employment with the Local Union, the International, or other Employer approved by the Trustees, in which cases a grace period for the entire length of such employment will be granted. In order to secure the benefit of a grace period under this Subsection (c), an application in writing must be submitted to the Trustees within twenty-four (24) months after the date that the Employee leaves Covered Employment.
- (d) For purposes of determining whether a Break in Service has occurred, periods during which an Employee is absent from work due to an Approved Leave of Absence granted by the Trustees shall not be considered a Break in Service during such periods.

Approved leave of Absence means any absence authorized by the Trustees, provided that all persons under similar circumstances must be treated alike in the granting of such Approved Leave of Absence, and provided further that the Employee retires or returns to work within the period specified in the Approved Leave of Absence.

The exceptions noted in (a), (c), and (d) of this Section are not intended to add to the pension credits of any Employee except as may be required by law. They are merely intended to set forth a period which may be disregarded in determination of whether a Break in Service has occurred.

ARTICLE III

ELIGIBILITY

3.1 Normal Retirement. An Employee in the Plan shall be entitled to retire on the first (1st) day of the month following the later of the attainment of age fifty eight (58) years or the fifth (5th) anniversary of the time he commenced participation in the Plan. His date of retirement shall be on or after the first (1st) day of the month next following the date upon which written application for retirement is filed with the Trustees or their authorized agent, accompanied with satisfactory evidence of his date of birth. Upon the attainment of the later of age fifty-eight (58) of the fifth (5th) anniversary of the time he commenced participation in the Plan, a Participant shall have a one hundred percent (100%) non-forfeitable right to his Normal Retirement Benefits. This Section shall entitle the Employee to Normal Retirement Benefits as provided in Section 4.1 hereunder.

3.2 Early Retirement. An Employee in the Plan shall be entitled to retire on the first (1st) day of the month following the later of the attainment of age fifty-five (55) years, or the completion of five (5) or more years of Credited Service, but who has not as yet attained his Normal Retirement Age. His date of retirement shall be on or after the first (1st) day of the month next following the date upon which written application for early retirement is filed with the Trustees or their authorized agent, accompanied with satisfactory evidence of his date of birth. This Section shall entitle the Employee to Early Retirement Benefits as provided in Section 4.3 hereunder.

- (a) Any Employee who is eligible for an Early Retirement benefit may simultaneously apply to the Plan for disability and Early Retirement. The Employee may begin receipt of the Early Retirement benefit while awaiting a disability determination from the Social Security Administration. In the event the Employee is determined to be disabled by Social Security, his benefit will convert from an Early to a disability retirement. Benefit payments will be changed (on a prospective basis) effective the first day of the month following the month in which the Employee provides evidence of a disability

payment from Social Security. The initial application for benefits must clearly state the Employee is seeking disability benefits in addition to an Early Retirement.

3.3 Disability Retirement. An Employee with five (5) or more years of Credited Service who is permanently and totally disabled prior to Normal Retirement Age shall be entitled to retire and be eligible for disability benefits as provided in Section 4.4 hereunder, if he worked at least 200 Hours of Service during the 24-month period prior to his disability, or if his last work was in Covered Employment.

- (a) An Employee shall be deemed to be permanently and totally disabled only if a determination has been made by the Social Security Administration of Medical Disability in connection with Old Age and Survivor Insurance Coverage.
- (b) An Employee applying for disability pension may be required to submit to an examination by a physician or physicians selected by the Trustees, and may be required to submit to re-examination periodically as the Trustees may direct.
- (c) Upon approval of the application for benefits, the payment of the disability pension will begin as of the first day of the month coincident with, or next following the date on which the first Social Security disability check was received by the Employee and presented at the Administration Office.
- (d) Earnings by a disabled Pensioner. A disability Pensioner shall not be entitled to receive a monthly disability payment for any month during which he earns more than that amount allowed to be earned under Social Security regulations. A disability Pensioner shall report any and all earnings from any employment in excess of that amount allowed under Social Security to the office of the Pension Fund, in writing, within fifteen (15) days after the end of each quarter in which he had such earnings. If a disability Pensioner fails to make such timely reports as required by this Section, he shall be disqualified for benefits for twelve (12) months in addition to the duration of such employment for such violation.
- (e) Cessation of total and permanent disability. Any Employee retiring under the disability pension provision, who subsequently ceases to be totally and permanently disabled, may then return to Covered Employment and thereby resume the accrual of pension credits as outlined in Article II of this Plan.

3.4 Vested Deferred Retirement. As of January 1, 1987, an Employee who ceases to work for an Employer making contributions on his behalf to the Trust shall, if he has five (5) years or more of Credited Service and providing he applies therefore, be entitled to a retirement

benefit commencing on the first (1st) day of the month following his fifty-eighth (58th) birthday, computed on the same basis as normal retirement under Section 4.1 hereof.

(a) For Annuity Starting Dates prior to January 1, 2014, an Employee who has satisfied the service requirement for an Early Retirement Benefit and is fully vested as provided in Section 3.4, but who separates from the service (ceases to be an Employee as defined herein) before satisfying the age requirement for such Early Retirement Benefit, is entitled upon satisfaction of said age requirement to receive a benefit not less than the benefit to which he would be entitled at age 58, reduced as provided in Section 4.3. Early payment of the Vested Deferred Retirement is eliminated for Annuity Starting Dates on or after January 1, 2014.

ARTICLE IV

RETIREMENT BENEFITS

4.1 Normal Retirement. The Normal Form of benefit payments shall be a monthly annuity for the life of the Participant. The monthly retirement benefits of an Employee eligible for retirement benefits and who has applied therefor for commencement on or after age fifty-eight (58) years shall be equal to the sum of:

- (a) Four Dollars and Twenty Cents (\$4.20) times the number of his years of Credited Past Service, not in excess of twenty (20) years computed to the nearest one-tenth (1/10th) of a year, and completed on June 1, 1964, plus
- (b) 5.22% of the amount of contributions made by an Employer on behalf of the Employee between June 1, 1964 and May 31, 1965, plus
- (c) 2.616% of the amount of contributions made by an Employer on behalf of the Employee from June 1, 1965 to May 31, 1966, plus
- (d) 1.74% of all contributions made on behalf of an Employee from June 1, 1966 to May 31, 1972, plus
- (e) 2.04% of all contributions made on behalf of an Employee from June 1, 1972 to May 31, 1974, plus
- (f) 2.04% of all contributions in excess of 15 Cents (15¢) per hour made on behalf of the Employee from June 1, 1974 to December 31, 1979, plus
- (g) 2.88% of all contributions in excess of 15 Cents (15¢) per hour made on behalf of the Employee from January 1, 1980 to December 31, 1983, plus
- (h) 2.45% of all contributions made on behalf of the Employee from January 1, 1984 to December 31, 1993, plus
- (i) 2.10% of all contributions made on behalf of the Employee from January 1, 1994 to December 31, 2008, plus
- (j) 1.0% of all contributions made on behalf of the Employee in excess of the Reserve Rate listed in Appendix A, from January 1, 2009 forward.

4.2 Adjustments to Benefits. In addition to the benefit determined under Section 4.1, a further adjustment will be made as follows:

- (a) For Retirees and Beneficiaries receiving monthly benefits as of the Determination Date shown, a percentage increase in the amount indicated commencing on the Start Date.

	<u>Determination Date</u>	<u>Percentage Increase</u>	<u>Starting Date</u>
(a)	December 31, 1986	10%	January 1, 1987
(b)	December 31, 1988	5%	January 1, 1989
(c)	December 31, 1989	15%	January 1, 1990
(d)	December 31, 1997	10%	January 1, 1998
(e)	December 31, 1999	5%*	January 1, 2000

* \$25 per month minimum

- (b) For all other Participants as of the Determination Date not included in Section 4.2(a) above, a percentage increase in the amount indicated to be effective on the given Determination Date.

	<u>Determination Date</u>	<u>Percentage Increase</u>
(a)	December 31, 1986	10%
(b)	December 31, 1988	5%
(c)	December 31, 1989	15%
(d)	December 31, 1997	10%
(e)	December 31, 1999	5%

4.3 Early Retirement. The monthly retirement benefit of an Employee eligible for retirement benefits and who has applied therefor for commencement on or after age fifty-five (55) years, and prior to age fifty-eight (58) years shall be computed on the same basis as "Normal Retirement" under Section 4.1, reduced by five-ninths of one percent ($5/9^{\text{th}}$ of 1%) for each month that the early retirement date is prior to the first (1^{st}) of the month next following the fifty-eighth (58^{th}) birthday.

4.4 Disability Retirement.

- (a) There shall be no disability retirement benefits for an employee who has less than five (5) years of Credited Service at the time of disability.

- (b) The retirement benefit of an Employee who is eligible and has applied for disability retirement and who has five (5) or more years of Credited Service under the Plan shall be a monthly pension equal to his Accrued Benefit as of the date of disability.
- (c) The monthly disability retirement benefit for an Employee eligible for disability retirement benefits, as computed under either Section 4.4(a) or 4.4(b) above, shall be reduced by five-ninths of one percent ($5/9^{\text{th}}$ of 1%) for each month that the disability retirement date is prior to the first day of the month next following the participant's 58th birthday. The reduction is based on the participant's age as of the date of the disability. There shall be no further reduction for those below age 55.

4.5 Eligibility for Death Benefits. The Spouse of an Employee with five (5) or more years of Credited Service shall be eligible for death benefits under the rules set forth in Sections 4.6 and 4.7 below.

4.6 Pre-Retirement Death Benefits. A Qualified Pre-Retirement Survivor Annuity as described in Section 6.3 shall be payable upon the death of a vested Participant who is married for more than one (1) year from the later of the Annuity Starting Date or the date of the Participant's death.

4.7 Post-Retirement Death Benefit. If the death of a Participant occurs after monthly benefits have commenced, a death benefit will be payable in accordance with the form of benefit payment selected by the Participant at the Annuity Starting Date.

ARTICLE V

COMMENCEMENT AND DURATION OF BENEFITS

5.1 Commencement of Benefits. Retirement benefits shall commence on the first (1st) of the month following the date a written application is filed with the Trustees. In any event, benefits shall commence within sixty (60) days of the end of the Plan Year in which the latest of the following three events occur:

- (a) Attainment of age fifty-eight (58);
- (b) The fifth (5th) anniversary of participation in the Plan;
- (c) Termination of employment under the Plan.

5.2 Duration of Benefits. The Normal form of benefit payment under the Plan is a Life Annuity.

5.3 Suspension or Loss of Benefits.

- (a) A retired Employee who withdraws from normal retirement by working in disqualified employment shall be disqualified from receiving or being entitled to any pension benefits for any month during which he is not in retirement. Disqualified employment shall be construed to mean working in the industry or trade in any one or more of the following circumstances:
 - (1) Employment by any contributing Employer;
 - (2) Employment by any Employer in the same business as any contributing Employer;
 - (3) Self-employment in the same business as any contributing Employer;
 - (4) Employment or self-employment in any business which is or may be under the jurisdiction of the Union.

A Retiree will become disqualified by working more than 40 hours per month and shall have his benefits suspended for every month he was so employed. Pension benefits shall be adjusted at the end of the Plan Year in which re-employment was terminated to include the adjusted age of the Participant, and any contributions received on account of the Participant during such period of re-employment. Benefits will be adjusted as of the March 1st following the end of each Plan Year.

5.4 Notice of Suspension of Benefits. Notice of the suspension of benefits under Section 5.3 hereof shall be given to all Participant/Retirees, and shall include the following information:

- (a) A description of the specific reasons why benefit payments are being suspended;
- (b) A general description of the Plan provisions relating to the suspension of payments, and a copy of such provisions;
- (c) A statement that the applicable Department of Labor Regulations may be found in Section 2503.203-3 of the Code of Federal Regulations;
- (d) The Plan's procedure for providing a review of the suspension benefits;
- (e) The procedure, and necessary forms, for filing a notice of termination of disqualifying employment and resumption of benefit payments;
- (f) That the Plan intends to offset any suspendable amounts actually paid during disqualifying re-employment, specifying:
 - (1) Period and amounts of such offset;
 - (2) Manner in which offset will be handled.

5.5 Employment Past Normal Retirement Age. A Participant who continues his employment beyond his Normal Retirement Age will be disqualified from receiving or being entitled to any pension benefits until he terminates his employment and applies for retirement benefits. Upon retirement, he shall be entitled to the greater of: the benefit payable at Normal Retirement Date actuarially increased to reflect commencement at a later retirement date; or his Accrued Benefit as of the late retirement date.

5.6 Benefit Payments Following Suspension or Retirement After Normal Retirement Age.

- (a) **Amount of Benefit Payment.** The monthly amount of benefits following a suspension or retirement after Normal Retirement Age, shall be determined under Subsection (b) and shall be adjusted for any optional form of payment in accordance with Subsection (c). Nothing in this Section is intended to extend any benefit increase or adjustment effective after the initial retirement to any benefit upon resumption of payment, except to the extent that it may be expressly directed by other provisions of the Plan.

- (b) Payment of Benefits. If a Participant retires on or after his Normal Retirement Date, does not complete at least 40 Hours of Service in Suspendable Employment during any month prior to the Annuity Starting Date, and if the Annuity Starting Date is after the Normal Retirement Date, the monthly benefit will be the Accrued Benefit at the Normal Retirement Date, actuarially increased for each month between the Normal Retirement Date and the Annuity Starting Date, and then converted as of the Annuity Starting Date to the form of a benefit elected in the pension application or, if none, to the Joint and Survivor Annuity. However, if for administrative reasons, such as the need to obtain reliable information to calculate benefits or to await formal approval by the Board of Trustees for benefits, actual payments begin after the scheduled Annuity Starting Date, such delay shall not affect the Annuity Starting Date nor the benefit determination, provided, however, that when such monthly payments actually begin, the Former Participant shall receive a lump sum retroactive payment to cover benefits due for all months after the Annuity Starting Date but prior to the commencement of monthly benefits.

When a Participant or Former Participant whose monthly benefit has been suspended pursuant to Section 5.3 has filed for resumption of benefits, the amount of such benefit upon its resumption shall be the amount thereof prior to its suspension, increased to reflect benefits due which were not suspendable pursuant to Section 5.3. In addition, if the Participant or Former Participant earned additional benefit accruals while benefits were suspended, such additional benefit accruals shall be actuarially adjusted from the date they would first have been paid and as of the March 1 following the Plan Year in which they were earned, shall be reflected in the Former Participant's resumed benefit. A Former Participant who returns to Covered Employment shall not be entitled to a recomputation of his or her entire benefit upon subsequent termination of employment.

- (c) Adjustments. The amount determined under the above subparagraphs shall be adjusted (using the actuarial factors set forth in Article I, Section 1.2).
- (d) Effect upon Form of Benefit. A Joint and Survivor Annuity in effect immediately prior to suspension of benefits shall remain effective if death occurs while benefits are suspended. If a Participant earns additional benefit accruals while his or her benefit is suspended, such person shall be entitled to a new election as to the form of benefit, but only with respect to such benefit accruals earned during the period of suspension.

- (e) Notice.

Once monthly benefits have been suspended, it is the Participant's responsibility to notify the Trustees of any request for monthly benefits to resume. The Participant must notify the Fund Office in writing of any employment that is not Covered Employment within 15 days after the end of the month in which the Participant has any earnings from non-Covered Employment. The Trustees have

the right to withhold monthly benefit payments until such notice is made to the Plan.

- 5.7 Cessation of Disability Benefits.** Disability Retirement Benefits shall be terminated upon the occurrence of any of the following events:
- (a) The Employee ceased to be eligible for disability benefits from Social Security;
 - (b) The Trustees determine on the basis of medical examination that the Employee has sufficiently recovered to return to any regular work in Covered Employment and refuses an offer of employment;
 - (c) The Employee refuses to undergo a medical examination ordered by the Trustees, provided that the Employee may not be required to undergo a medical examination more often than semi-annually;
 - (d) The date an Employee reaches his normal retirement date; provided, however, that he shall then be entitled to Normal Retirement Benefits.

5.8 Mandatory Distributions to Participants

Notwithstanding any other provision in the Plan, payment of benefits shall not be suspended after April 1 following the year in which the Participant reaches the age of 70 ½, whether or not he is still working in Covered Employment. However, benefits for such work will continue to accrue, with such accruals to be paid as of January 1 following the year in which they were earned.

ARTICLE VI

FORM OF RETIREMENT BENEFITS

6.1 Qualified Joint and Survivor Annuity.

- (a) The distribution to any Participant must be paid in the form of a Qualified Joint and Survivor Annuity, unless an optional form of benefit is selected pursuant to a Qualified Election within the period commencing no more than 180 days and ending no less than 30 days prior to the Annuity Starting Date. In addition, the Plan Administrator shall provide each Participant, within a reasonable period prior to the commencement of benefits, a written explanation of:
- (1) The terms and conditions of a Qualified Joint and Survivor Annuity;
 - (2) The Participant's right to make, and the effect of, an election to waive the Qualified Joint and Survivor Annuity form of benefit;
 - (3) The rights of the Participant's Spouse; and
 - (4) The right to make, and the effect of, a revocation of a previous election to waive the Qualified Joint and Survivor Annuity.

Notwithstanding the requirement of consent by the Participant's Spouse, if the Participant establishes to the satisfaction of the Trustees that such written consent may not be obtained because there is no Spouse or the Spouse cannot be located, the Qualified Election shall be deemed valid without such Spouse's signature. Any consent necessary for this provision will be valid only with respect to the Spouse who signs the consent or in the event of a deemed Qualified Election, the designated Spouse. A revocation of a prior waiver may be made by a Participant without the consent of the Spouse at any time before commencement of benefits. There is no limit to the number of Qualified Elections and revocations which may be made.

- (b) The automatic form of the Qualified and Joint and Survivor Annuity shall be paid in the form of a Qualified Joint and One-Half Survivor Annuity, otherwise known as a Joint and 50% Survivor Annuity. Under the Qualified Joint and One-Half Survivor Annuity, a reduced amount shall be paid to the Participant for his lifetime; and his Eligible Spouse, if surviving at the Participant's death, shall be entitled to receive thereafter a lifetime survivorship Pension in a monthly amount equal to 50% of the reduced monthly amount which had been payable to the Participant. The last payment of a Qualified Joint and One-Half Survivor Annuity shall be made as of the first day of the month in which the death of the survivor occurs.
- (c) The Annuity Starting Date for a distribution may be less than 30 days after receipt of the written explanation described in the preceding paragraph provided:

- (1) The Participant has been provided with information that clearly indicates the Participant has at least 30 days to consider whether to waive the Qualified Joint and Survivor Annuity and elect (with spousal consent) to a form of distribution other than a Qualified Joint and Survivor Annuity;
- (2) The Participant is permitted to revoke any affirmative distribution election at least until the Annuity Starting Date or, if later, at any time prior to the expiration of the 7-day period that begins the day after the explanation of the Qualified Joint and Survivor Annuity is provided to the Participant; and
- (3) The Annuity Starting Date is after the date that the written explanation was provided to the Participant.

6.2 Qualified Pre-Retirement Survivor Annuity.

- (a) If a vested married Participant dies on or after the Earliest Retirement Age, the Participant's Surviving Spouse will receive the same benefit that would have been payable if the Participant had retired with an immediate Joint and 50% Survivor Annuity on the day before the Participant's date of death.
- (b) If a vested married Participant dies before the Earliest Retirement Age, the Participant's Surviving Spouse will receive the same benefit that would be payable if the Participant had:
 - (1) Separated from service on the date of death;
 - (2) Survived to the Earliest Retirement Age;
 - (3) Retired with an immediate Joint and 50% Survivor Annuity at the Earliest Retirement Age; and
 - (4) Died on the day after the Earliest Retirement Age.
- (c) For purposes of Section 6.2(b), a Surviving Spouse will begin to receive payments at the Earliest Retirement Age unless such Surviving Spouse elects a later date.
- (d) For purposes of Section 6.2, the Joint and 50% Survivor Annuity will be the Actuarial Equivalent of the Normal Form of benefit payment.

6.3 Qualified Optional Survivor Annuity ("QOSA").

- (a) A Participant who is eligible for the Qualified Joint and One-Half Survivor Annuity and who retires on or after January 1, 2009 may elect to receive his

pension benefit in the form of a Qualified Optional Survivor Annuity under the Plan. By filing a timely Qualified Election with the Plan, a Participant may choose to have benefits paid in the form of:

- (1) A Qualified Joint & Two-Thirds (66 2/3%) Survivor Annuity;
- (2) A Qualified Joint & Three-Fourths (75%) Survivor Annuity;
- (3) A Qualified Joint & Full (100%) Survivor Annuity.

Under each QOSA, a reduced amount shall be paid to the Participant for his lifetime and if the Participant predeceases his Spouse, the eligible Spouse shall be entitled to receive the applicable percentage of the QOSA (66 2/3%, 75%, or 100%) chosen based on the reduced lifetime amount payable to the Participant.

- (b) The last payment of a QOSA benefit shall be made as of the first day of the month in which the death of the survivor occurs. The general terms and conditions for the Surviving Spouse under the Plan shall apply to all QOSA forms of payment.
- (c) All references in this Plan Document to the Qualified Joint and One-Half Survivor Annuity, or QJSA, shall now be references to all three of the QOSA forms of payment unless otherwise clearly apparent in the context of the Plan Document that such reference shall not include QOSA forms of payment.

6.4 Joint and Survivor Pension "Pop-up."

The Plan allows for a "pop-up" option under which a Participant selecting any Joint and Survivor Annuity form of payment may further elect the feature that if the Spouse should predecease the Retiree, then the benefit subsequently payable to the Retiree shall revert back to the pension amount that would have been payable had the form of benefit payment originally been a Life Annuity. This benefit will be the Actuarial Equivalent of the pension that would otherwise be payable to the Participant, assuming the Normal Form of payment as described in Section 4.1.

6.5 IRC Section 401(a)(9) Requirements.

The optional form of a Participant's annuity, as adjusted for Actuarial Equivalence, shall be further adjusted (if necessary) to comply with IRC Section 401(a)(9).

The Annuity Forms shall be subject to the following provisions for purposes of compliance with IRC Section 401(a)(9):

- (a) Life Expectancy. The distribution period must be over a life (or lives), or over a period certain not longer than a life expectancy (or joint life and last survivor expectancy), or for the Participant and his Designated Beneficiary. For purposes hereof:
 - (1) Life expectancy and joint and last survivor expectancy are computed by use of the expected return multiples in Tables V and VI of Treasury Regulations § 1.72-9.
 - (2) Life expectancy or joint and last survivor expectancy shall be determined using the attained age of the Participant (or Designated Beneficiary) as of the Participant's (or Designated Beneficiary's) birthday in the earlier of:
(A) the calendar year of the Participant's Annuity Starting Date; or (B) the calendar year preceding the Participant's Required Beginning Date.
 - (3) The life expectancy (or joint life and last survivor expectancy) for purposes of determining the period certain shall be determined without recalculation of life expectancy.
- (b) Payments. Once payments have begun over a period certain, the period certain may not be lengthened even if the period certain is shorter than the maximum permitted. The payments shall be level monthly payments, except with respect to a survivor benefit payment which themselves will be level monthly payments. The payments must either be non-increasing or increase only with any percentage increase in a specified and generally recognized cost-of-living index or because of an increase in benefits under the Plan.

6.6 Minimum Distribution Requirements.

The Annuity Forms shall be subject to the following provisions for purposes of compliance with the minimum distribution requirements of IRC Section 401(a)(9), including the incidental death benefit requirement of Section 401(a)(9)(G). All distributions will be made in accordance with IRC Section 401(a)(9) and §§ 1.401(a)(9)-2 through 1.401(a)(9)-9. Any Plan provisions reflecting IRC Section 401(a)(9) shall override inconsistent distribution options.

ARTICLE VII

NON-ALIENATION OF BENEFITS

7.1 Non-Alienation of Benefits. No benefits payable at any time under the Plan shall be subject in any manner to alienation, sale, transfer, assignment, pledge, attachment, or encumbrance of any kind and any attempt to do so shall be void. No retirement benefit nor the Trust Fund shall in any manner be liable for or subject to the debts or liabilities of any Employee or retired Employee entitled to any retirement benefits. If the Employee or retired Employee shall attempt to, or shall alienate, sell, transfer, assign, pledge, or otherwise encumber his benefits under this Plan or any part thereof, or if by reason of his bankruptcy or other event happening at any such time, such benefits would devolve upon anyone else or would not be enjoyed by him; or in the event of a legal disability of a retired Employee, or his inability to care for his affairs, the Trustees in their discretion may terminate his interest in any such benefit and hold or apply it to or for the benefit of such person, his Spouse, children or other dependents, or any of them in such manner as the Trustees may deem proper.

7.2 Qualified Domestic Relations Order. The provisions of Section 7.1 shall not apply with respect to any Qualified Domestic Relations Order. The Trustees shall establish reasonable procedures, when necessary, to determine the qualified status of any domestic relations order and to administer distributions under such qualified orders.

ARTICLE VIII
CONTRIBUTIONS

8.1 General. The purposes of this Fund are to provide pension benefits to eligible Employees and/or Spouses and/or named Beneficiaries of the Employees. These benefits are to be funded by receipt of contributions from contributing Employers and by the returns on the investments of these contributions.

In order to effectuate the purposes hereof, each Employer shall contribute to the Pension Fund the amount required by the Collective Bargaining Agreement between the Union and the Employer. The rate of contribution shall at all times be governed by the aforesaid Collective Bargaining Agreement or other written agreement then in force and effect. All benefits are payable only from the Pension Fund, only to the extent such Fund has sufficient assets.

8.2 Increases or Decreases in Benefits. If on the basis of an Actuarial Valuation made by the Actuary, the Trustees deem that the Employer's payments required under Section 8.1 of this Article, and the current Collective Bargaining Agreement are in excess of or fall short of the amounts then required to maintain the Plan on a sound actuarial basis including all expenses of administration, the Trustees shall have the power to authorize such increases or decreases in benefits under the Plan as they determine, with the advice of the Actuary, to be sound and feasible as the basis of maintaining the Plan on a sound actuarial basis, or as otherwise permitted and/or required by federal law.

8.3 Reciprocal Contributions. A Participant's work outside the jurisdiction of the Fund in employment for which contributions are required to be made to a pension fund of another local union, and which contributions are forwarded to the Roofers Local 42 Pension Plan, shall be credited under this Plan. Any adjustment to Hours of Service or benefit accrual

necessary to account for a higher or lower hourly contribution rate is at the sole discretion of the Board of Trustees.

ARTICLE IX
DISTRIBUTIONS

9.1 General. Any other provisions of the Plan notwithstanding, if the Actuarial Equivalent value of a benefit payable to a Participant, Alternate Payee (pursuant to a valid QDRO) or of a Pre-retirement Survivor Annuitant does not exceed \$1,000 and has never exceeded \$1,000, the Administrator, in its sole discretion, may cause the entire benefit to be paid in a lump-sum taxable payment to such Participant, Alternate Payee or Survivor Annuitant. The Actuarial Equivalent value of any benefit will be determined in accordance with the assumptions specified in Section 1.2 of the Plan Document. No lump-sum benefit shall be payable under this Plan if the present value of the Participant's non-forfeitable benefit under the Plan exceeds \$1,000.

9.2 Direct Rollover of Distributions. With respect 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 the Plan, a Distributee may elect, at the time and in the manner prescribed by the Administrator, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover subject to the following terms and conditions:

- (a) Eligible Rollover Distributions. For purposes of this Article, 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:
 - (1) 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;
 - (2) Any distribution to the extent such distribution is required under IRC Section 401(a)(9);

- (3) The portion of any distribution that is not includable in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to Employer securities); or
 - (4) any hardship distribution described in IRC Section 401(k)(2)(B)(i)(IV).
- (b) Eligible Retirement Plan. For purposes of this Article, an "Eligible Retirement Plan" is one of the following that accepts the Distributee's Eligible Rollover Distribution:
- (1) An individual retirement account described in IRC Section 408(a). For distributions made on or after December 31, 2007, an Eligible Retirement Plan also includes a Roth IRA;
 - (2) An individual retirement annuity described in IRC Section 408(b);
 - (3) An annuity plan described in IRC Section 403(a);
 - (4) A qualified trust described in IRC Section 401(a); or
 - (5) An annuity contract described in IRC Section 403(b) and an eligible plan under IRC Section 457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. The definition of eligible retirement plan shall also apply in the case of a distribution to a Surviving Spouse, or to a Spouse or former Spouse who is the Alternate Payee under a Qualified Domestic Relation Order, as defined in IRC Section 414(p).
- (c) Distributee. For purposes of this Article, a "Distributee" includes:
- (1) An Employee or former Employee; and
 - (2) An Employee's or a former Employee's Surviving Spouse and an Employee's or former Employee's Spouse or former Spouse who is the Alternate Payee under a Qualified Domestic Relations Order, without regard to the interest of the Spouse or former Spouse; and
 - (3) Effective January 1, 2010 an Employee or former Employee's non-Spouse beneficiary.
- (d) Direct Rollover. For purposes of this Article, a "Direct Rollover" is a payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

- (e) \$200 Minimum Direct Rollover. Notwithstanding anything in this Article to the contrary, a Distributee shall not be permitted to elect a Direct Rollover if it is reasonable to expect that the total Eligible Rollover Distributions made to the Distributee during the taxable year of the Distributee will be less than \$200.
- (f) Partial Direct Rollover. If the entire amount of an Eligible Rollover Distribution is greater than \$500, a Distributee may elect to have a portion of such an Eligible Rollover Distribution paid to an Eligible Retirement Plan in a Direct Rollover provided that the amount of the Direct Rollover equals at least \$500. If a Distributee elects such a partial Direct Rollover, the remaining portion of the Eligible Rollover Distribution must be paid to the Distributee.
- (g) Multiple Direct Rollovers Not Permitted. A Distributee is not permitted to divide an Eligible Rollover Distribution into separate distributions to be paid to two or more Eligible Retirement Plans in Direct Rollovers. A Distributee must elect that the Eligible Rollover Distribution or portion thereof be distributed in a Direct Rollover payable to a single Eligible Retirement Plan selected by the Distributee.
- (h) Elections for Installment Payments. If distribution is made to a Distributee in a series of periodic payments, his election to make or not to make a Direct Rollover with respect to one payment in a series of payments shall apply to all subsequent payments in the series unless the Distributee makes a subsequent election to change his prior election.
- (i) Default Procedures. If, after a reasonable time as defined in Treasury Regulations § 1.402(c)-2T, a Distributee has failed to elect either a Direct Rollover or to have his Eligible Rollover Distribution paid to him, distribution shall be made to the Distributee in an amount equal to his eligible Rollover Distribution less any amount required to be withheld under any applicable income tax withholding requirements.

ARTICLE X

AMENDMENT AND DURATION OF THIS PLAN

10.1 Amendment of Plan. No part of the corpus or income of the Plan shall be used for purposes other than for the exclusive benefit of Participants, Former Participants and Beneficiaries, and for defraying reasonable expenses of administering the Plan. There shall be no reversion of funds to any Employer or Association except as permitted by law and as authorized by the Board of Trustees. Otherwise, the Plan may be amended at any time by the Board of Trustees. Any amendment may be given retroactive effect. However, no amendment (including a change in the actuarial basis for determining option or early retirement benefits) shall be effective to the extent it has the effect of decreasing an Accrued Benefit. However, the preceding sentence shall not apply to the extent the reduction in the Accrued Benefit is permitted by the Code and/or ERISA. For purposes of this Section, an amendment which has the effect of (a) eliminating or reducing an early retirement benefit or a retirement-type subsidy, or (b) eliminating an optional form of benefit (with respect to benefits attributable to service before the amendment), shall be treated as reducing an Accrued Benefit. In the case of a retirement-type subsidy, the preceding sentence shall apply only with respect to a Participant or Former Participant who satisfies (either before or after the amendment) the pre-amendment conditions for the subsidy. In general, a retirement-type subsidy is a subsidy that continues after retirement, but does not include a qualified disability benefit, a medical benefit, a Social Security supplement, a death benefit (including life insurance), or a plant shutdown benefit that does not continue after retirement age. In addition, no amendment shall have the effect of decreasing a Participant's or Former Participant's vested interest determined without regard to such amendment as of the later of the date of such amendment is adopted or becomes effective.

If the Plan's vesting schedule is amended, or if the Plan is amended in any way that directly or indirectly affects the computation of the non-forfeitable percentage, each affected person with at least three Years of Vesting Service may elect, within a reasonable period after the adoption of the amendment or change, to have the non-forfeitable percentage computed under the Plan without regard to such amendment or change if his or her non-forfeitable percentage under the Plan, as amended, is at any time less than the percentage determined without regard to such amendment.

The period during which the election may be made shall commence with the date the amendment is adopted or deemed to be made, and shall end on the latest of the following:

- (a) 60 days after the amendment is adopted;
- (b) 60 days after the amendment becomes effective; or
- (c) 60 days after written notice of the amendment is issued by the Board of Trustees.

An amendment to the Plan shall be evidenced by an instrument in writing signed by a majority of the number of the Board of Trustees.

10.2 IRS Approval. The Trustees intend to obtain approval of the Director of Internal Revenue that the Revised Plan and Trust established in connection herewith is a qualified Plan and Trust under IRC Sections 401(a) and 501(a), and will entitle any Employer to deduct its contributions to the Plan from its income for the purpose of computing Federal Income Tax under the provisions of IRC Section 404. Any amendment or modification of the Plan may be made retroactively by the Trustees, if necessary, or appropriate to qualify or maintain the Plan as a Plan and Trust meeting the requirements of IRC Sections 401(a), 501(a) and 404.

10.3 Duration. This Plan shall continue so long as the Agreement and Declaration of Trust establishing said Plan shall remain operative.

10.4 Merger of Plan.

(a) In the case of any merger or consolidation of this Plan and/or the Trust Fund with or transfer of the assets or liabilities of the Plan and/or Trust Fund to, any other plan, the terms of such merger, consolidation or transfer shall be such that each Employee or other Participant would receive (in the event of termination of this Plan or its successor immediately thereafter) a benefit which is no less than he would have received in the event of termination of this Plan immediately before such merger, consolidation or transfer.

(b) The Trust Fund shall not be merged into, acquired by or become part of any Trust Fund other than the Composition Roofers, Local 42, Pension Fund (providing for selection of three Trustees by the Greater Cincinnati Roofing Contractors Association and three Trustees by the United Union of Roofers, Waterproofers and Allied Trades, Local 42) unless fifty-one percent (51%) of the combined total of Employees, Participants and Beneficiaries, as defined by ERISA, vote in favor of such action. Said vote shall not be considered proper unless written notification stating the purpose of such vote and the date, time and location of the vote is mailed to each person eligible to vote as stated above not less than ten (10) days prior to such secret ballot vote.

ARTICLE XI

TERMINATION

11.1 Termination. This Plan shall be terminated if no Employers are obligated to contribute to the Trust Fund. This Plan may also be terminated by the unanimous consent of all Trustees upon giving reasonable notice of intention to vote on such termination and the reasons therefore to all Trustees, the Unions and the Employers who designate the Employer Trustees.

11.2 Partial Withdrawal of Employers. The withdrawal or elimination of some Employers and/or groups of Employees from the Plan shall not constitute a termination of this Plan, which shall continue to exist for the benefit of other Employees remaining in or subsequently brought under said continuing Plan.

11.3 Allocation on Termination. Upon termination of the Plan, the rights of all Employees to benefits accrued to the date of such termination shall be non-forfeitable, and upon occurrence of such event, the assets of the Fund shall be allocated among the Employees and their Beneficiaries in accordance with Section 4044(a) of ERISA, and administered and distributed at such time or times as is determined by the Trustees.

11.4 Partial Termination. Upon termination of the Plan by the Trustees with respect to a group of Employees, the Trustees shall allocate and segregate for the benefit of the Employees then or theretofore employed by an Employer or Employers with respect to which the Plan is being terminated the proportionate interest of such Employees in the Trust Fund. The funds so allocated and segregated shall be non-forfeitable and shall be distributed to such Employees.

ARTICLE XII

THE PENSION TRUST AND FUNDING

12.1 Trust Agreement. A Pension Trust Agreement has been executed between the Employers and the Union and subscribed and accepted by the Trustees under the terms of which a Pension Fund shall be established to receive and hold contributions payable by the Employers under this Plan, interest and other income and to pay the benefits provided under said Plan and the expense of operation of the Plan.

12.2 Non-Reversion of Contributions. The Employers shall have no right, title or interest in the contributions made by them or any of them to the Pension Fund and no part of the Pension Fund shall revert to the Employers or to any of them except to the extent permitted or required by law.

The benefits of this Plan shall be only such as can be provided by the assets of the Pension Fund and there shall be no liability or obligations hereunder on the part of the Employers to make any further contributions to the Pension Fund in the event of termination of this Plan.

ARTICLE XIII

ADMINISTRATION

13.1 Administration by Trustees. This Plan shall be administered by the Trustees of the Trust Fund in accordance with the Agreement and Declaration of Trust and any further amendments thereto.

13.2. Application for Benefits.

- (a) Upon becoming eligible for benefits under this Plan, an Employee or his Beneficiary, as the case may be, shall file an application for benefits upon a form prescribed by the Trustees and shall furnish such evidence and information which may be required by the Trustees or persons designated by them to establish the Employee's or Beneficiary's rights to benefits under this Plan.
- (b) Said application shall be presented to the Trustees for a determination of whether applicant is eligible for benefits hereunder. If the application is approved, the Trustees shall authorize the payment of the benefit. If the application is rejected, the applicant shall be promptly notified accordingly, and be advised of his rights to appeal at a hearing as provided below.
- (c) Pursuant to procedures established by the Trustees and consistent with Section 503 of ERISA and the applicable regulations contained at 29 CFR Part 2560, which are incorporated by reference herein, each Participant or Beneficiary whose claim for benefits under the Plan has been denied shall receive written notice of denial. The notice will include: (1) the specific reason for the denial; (2) the sections of the Plan and/or SPD upon which the denial was based; (3) a description of any additional information which the Participant or Beneficiary may need to provide to the administrator and an explanation as to why such information is necessary; (4) a copy of the Plan's appeal procedures; (5) notice of any internal rule or guideline used in making the decision (if applicable); and (6) a notice of the Participant or Beneficiary's right to a written explanation of any exclusion which affects his claim.
- (d) Any Participant or Beneficiary who chooses to appeal an adverse benefit determination must file a written notice of appeal with the administrator no later than 180 days from the date the written notice of the adverse benefit determination is received. The appeal must include the Participant's name, current address and decision being appealed. The Board shall consider any comments, documents or other evidence the Participant/Beneficiary may submit in support of the appeal. The administrator shall also supply (on request) any documents or material to the Participant which may be relevant to the appeal. There will be no charge to the Participant or Beneficiary for the cost of copying such material.

13.3 Decision on Appeal. All appeals will be considered within the time periods set forth in 29 CFR Part 2560. Participants or beneficiaries will be provided a written notice of the decision of the Board within 5 days of the meeting at which the appeal was considered. In the event the appeal is denied, the written notice shall include the following: (a) the reasons for the denial; (b) the portion of the Plan and/or SPD on which the denial is based; (c) a statement advising the Participant if any internal rule or guideline was followed in making the decision and if so, the Participant's right to a copy of such rule; (d) a notice of the Participant's right to a written explanation of any exclusion which affects the claim; and (e) a notice of the Participant's right to file suit under Section 502(a) of ERISA.

13.4 Official Plan Records. The Trustees shall rely upon the records of the Plan in determining eligibility for benefits and such records are presumed to be correct. In the event of a discrepancy between the records maintained by the Plan and a claim asserted by a Participant, an Employee or a retiree, the Trustees shall rely upon the Plan records unless shown to their satisfaction that the additional records are valid and should be relied upon. The burden of proving a claim for benefits which differs from the records established and maintained by the Plan shall be upon the Participant, Employee, retiree, or other person or entity.

13.5 Ruling No Precedent. No ruling or decision of the Trustees in one case shall create a basis for a retroactive adjustment in any previously decided case nor constitute a precedent, except as may be required by law.

13.6 Adjustment of Benefits. In the event that incorrect information is furnished to the Trustees or in the event of error by the Trustees or their delegates in determining eligibility or benefits, the Trustees shall have the power to make such adjustments in the Employee's benefits which they may deem appropriate. Such adjustments include the power to recoup overpayments

if needed by any method agreed to by the Trustees. If an Employee deliberately supplies false information in order to acquire benefits, the Trustees may impose any penalty they deem appropriate.

13.7 Three Year Limitation Period.

No action at law or in equity shall be brought by any Participant or Beneficiary after the expiration of three (3) years from the date the Board provides written notice of a decision on an appeal of an adverse benefit determination. Failure to bring an action within this three (3) year period shall forever bar such action.

ARTICLE XIV

MISCELLANEOUS

14.1 Interest in the Plan. No Employee, group of Employees or other persons shall have any interest in, or right to, any part of the principal or earnings of the Pension Fund, or in the assets of the Pension Fund, but the same shall be administered solely in accordance with the provisions of the Plan and the Agreement and Declaration of Trust.

14.2 Limitation on Employment. Nothing contained in this Plan shall be construed as a contract of employment between any Employer and any Employee, or as granting the right of any Employee to be continued in the employment of any Employer, or as a limitation on the right of the Employer to terminate the employment of an Employee at any time. An Employer's right to discipline or discharge Employees shall not be affected by reason of existence of this Plan, or by reason of any of the provisions of this Plan. No matter respecting the provisions of the Plan shall be subject to the grievance procedure established in the Collective Bargaining Agreement.

14.3 Participant Incapacity. In the event that it is determined that a Participant is unable to manage his affairs because of illness, accident, or incapacity, either mental or physical, any payment due may be applied, in the discretion of the Trustees, to the maintenance and support of such Participant (unless and until proper claim shall be made therefore by a legally appointed guardian, committee or legal representatives).

14.4 Unclaimed Benefits/Missing Participants. If any benefit payment made by the Trustees out of the Pension Fund be unclaimed for a period of three (3) years, it shall revert to and become a part of said Pension Fund, but must be reinstated if a claim for benefits is made by a Participant or Beneficiaries for the forfeited amount.

14.5 Former Plan. No Participant, active or retired, or Beneficiary, or any representative of a deceased Participant may claim a greater benefit than was previously determined under the Plan provisions in effect at the time of such determination.

14.6 Applicable Law. To the extent not preempted by federal law, the Plan and all rights hereunder shall be governed, construed and administered in accordance with the laws of the State of Ohio.

14.7 Veteran's Pension Rights. Nothing in this Plan shall be interpreted so as to deny a veteran of the Armed Forces any rights granted under federal law. The right of a veteran to the restoration of pension benefits upon his or her reemployment with a contributing Employer shall be governed by the rules and regulations found in 38 U.S.C. §4301, *et seq.*, and IRC Section 414(u).

14.8 Retroactive Annuity Starting Date. To the extent the terms of the Plan permit a participant to affirmatively select an Annuity Starting Date that occurs sometime prior to the date the Plan provides the Participant is provided with a Qualified Joint and Survivor Annuity notice (Retroactive Annuity Starting Date – "RASD"), such payments shall be governed by the rules set forth in 29 CFR 1.417(3)-I which are incorporated herein by reference. Benefits will be calculated as of the RASD using the mortality and interest assumptions in effect on that date. The benefits must satisfy the IRC Section 415 limits and IRC Section 417(e)(3) Present Value assumptions (if applicable) in effect on the RASD. Participants shall receive make-up payments including an adjustment for interest from the RASD (based on the Applicable Interest Rate) to the date payments are actually made. Spousal consent is required if the survivor benefit payable to the Spouse based on the RASD is less than the amount of the minimum required survivor benefit that would be payable if the actual payment date were used as the Annuity Starting Date.

14.9 Overpayments. No Participant or dependent shall be entitled to receive a benefit in excess of that which is provided for by the terms of the Plan. In the event a Participant and/or dependent are overpaid by the Plan due to any administrative, mathematical or other error, the Board of Trustees shall have the right and obligation to recoup such overpayments through an actuarial reduction of future benefit payments, the offset of future benefit payments or any other Trustee-approved procedure. Any Participant or dependent, upon being notified of the reduction or offset, shall have the right and obligation to appeal the decision to the Board of Trustees prior to commencing any other legal or administrative action. Under no circumstances will an overpayment become or be considered a vested benefit.

14.10 Miscellaneous. The use of the masculine shall include feminine where applicable, and the use of the singular shall include the plural where applicable. The words "and" and "or" are employed in the conjunctive and disjunctive sense, respectively, except where a contrary intention clearly appears from the context.

ARTICLE XV – EMPLOYER WITHDRAWAL LIABILITY

15.1 Determination by Trustees.

The Trustees shall determine:

- (A) Whether an Employer has Withdrawn from the Plan;
- (B) The date of such Withdrawal;
- (C) The Employer's Withdrawal Liability;
- (D) The schedule of payments of the Employer's Withdrawal Liability; and
- (E) Any other decisions necessary to the establishment and calculation of liability under this Article.

The Trustees have the sole discretion and full authority to make a determination and shall promptly notify the Employer of its determination, including the amount of the Employer's withdrawal liability payments. The notices shall specify the schedule of the payments and demand payment. The notice herein provided shall be sent to the Employer by certified, return-receipt mail or hand delivery.

15.2 Employer's Right to Information.

(A) Within ninety (90) days after the Employer receives the notice required by Section 15.1, the Employer, in the event it wishes to take any action described in subparagraphs (A) through (C), shall provide in written form by certified, return-receipt mail or hand delivered to the Trustees:

- (1) Ask the Trustees to review any specific matter relating to the determination of the Employer's liability and the schedule of payments;
- (2) Identify any inaccuracy in the determination of the amount of the Unfunded Vested Benefits allocable to the Employer; and

(3) Furnish any additional relevant information to the Trustees.

(B) If an Employer fails to take any of the actions set forth in Section 15.2(A) in the time provided therein, it shall be deemed to have agreed to the determinations of the Trustees referred to in Section 15.1.

(C) The Trustees shall review as soon as practical any matter raised by an Employer pursuant to Section 15.2(A). The Trustees shall send a written reply to the Employer by certified, return-receipt or hand delivery, setting forth the decision of the Trustees, the basis for the decision, and the reason for any change in the determination of the Employer's liability or schedule of liability payments.

15.3 Trustees' Consultation with Actuary and Other Professionals.

In making the determination described herein, the Trustees may consult with the Plan's Actuary, Attorney, and Auditor, administrative personnel or other Plan professionals.

15.4 Annual Right to Notice of Potential Withdrawal Liability.

No more than once per calendar year, any Employer may make a written request for a notice of the estimated amount of what the Employer's withdrawal liability would be if the Employer withdrew on the last day of the Plan Year preceding the date of the request if available, otherwise the estimate will be as of the last day of the preceding Plan Year; and an explanation of how the estimated amount was determined including (a) the actuarial assumptions and methods used to determine the value of Plan liabilities and assets, (b) the data regarding Employer contributions, unfunded vested benefits, and annual changes in the Plan's unfunded vested benefits, and (c) the application of any relevant limits on the estimated withdrawal liability. The reasonable costs incurred by the Plan in responding to such annual requests shall be paid by the Employer, but in no case shall the costs exceed the limits established by the Secretary of Labor. No fees shall be

assessed when an Employer requests only summary information on its proportionate share of withdrawal liability, provided such information is contained in an Employer withdrawal liability report prepared by the Plan's actuary and previously presented to the Board of Trustees.

15.5 Method of Calculation for Withdrawal Liability.

The Plan shall utilize the "rolling-five" method for calculating the amount of unfunded vested benefits allocated to a withdrawing Employer as described in Section 4211(c)(3) of ERISA.

(A) The amount of an Employer's unfunded vested benefits upon withdrawal shall be the product of:

(1) The Plan's unfunded vested benefits as of the end of the Plan Year proceeding the Plan Year in which the Employer withdraws, less the value as of the end of such Plan Year of all outstanding claims for withdrawal liability which can reasonably be expected to be collected from Employers withdrawing before such Plan Years, multiplied by

(2) The fraction of:

(a) the total amount required to be contributed by the Employer under the Plan for the last five Plan Years ending before the withdrawal, divided by

(b) the total amount contributed under the Plan by all Employers for the last five Plan Years ending before the withdrawal, increased by any Employer contributions owed with respect to earlier periods which were collected in those Plan Years, and decreased by any amount contributed to the Plan during those Plan Years by Employers who withdrew from the Plan under this section during those Plan Years.

15.6 Complete Withdrawal.

A complete withdrawal occurs when:

(A) An Employer, including those who have performed work on a temporary or project-by-project basis, ceases to have an obligation to contribute under the Plan and the Employer:

- (1) Continues to perform work in the jurisdiction of the Plan of the type for which contributions were previously required, or
- (2) Returns to work in the jurisdiction within five (5) years after the date on which the obligation to contribute under the Plan ceases and does not renew the obligation at the time work resumes.

15.7 Partial Withdrawal.

Under Section 4208(d)(2) of ERISA, there is no partial withdrawal liability within the entertainment industry except under the conditions and to the extent provided by the Pension Benefit Guarantee Corporation.

15.8 Arbitration.

A dispute between an Employer and the Plan concerning a determination of withdrawal liability shall be submitted to arbitration as provided in Section 4221 of ERISA, to be conducted in accordance with the rules adopted by the Trustees not inconsistent with regulations of the Pension Benefit Guarantee Corporation. No issue concerning the computation of withdrawal liability may be submitted for arbitration unless the matter has been reviewed by the Plan in accordance with Section 4219(b)(2) of ERISA and any Plan rules adopted thereunder.

15.9 Employer Withdrawal Liability Procedures.

The Board of Trustees may, at its discretion, adopt Employer Withdrawal Liability Procedures, which, upon adoption, shall detail additional or discretionary operating procedures as to

employer withdrawal liability under the Plan. Such procedures may be amended from time to time by the Board of Trustees and shall be available upon request by contributing employers.

IN WITNESS WHEREOF, the Trustees have set their hands and adopted this Restated and Amended Plan document effective the 1st day of January, 2015.

UNION TRUSTEES


Robert Stockelman


Brandon Burke


Rodney Toole

CONTRACTOR TRUSTEES


Tom Dalton


Daniel Imbus


Steve Kramer

Appendix A
Contribution and Reserve Rate

Effective Dates	Journeyman Basic Pension Rate	Reserve	Benefit Credit Rate
September 1988 through July 1989	\$1.75	\$0.00	\$1.75
August 1989 through July 1990	\$2.00	\$0.00	\$2.00
July 1990 through July 1991	\$2.25	\$0.00	\$2.25
August 1991 through July 1995	\$2.50	\$0.00	\$2.50
August 1995 through October 1996	\$2.65	\$0.00	\$2.65
November 1996 through July 2002	\$2.80	\$0.00	\$2.80
August 2002 through July 2005	\$3.00	\$0.00	\$3.00
August 2005 through December 2008	\$3.40	\$0.00	\$3.40
January 1, 2009 through December 31, 2009	\$3.40	\$0.40	\$3.00
January 1, 2010 through July 31, 2010	\$3.40	\$1.30	\$2.10
August 1, 2010 through July 31, 2011	\$3.60	\$1.50	\$2.10
August 1, 2011 through July 31, 2012	\$3.80	\$1.70	\$2.10
August 1, 2012 through July 31, 2013	\$4.00	\$1.90	\$2.10
August 1, 2013 through July 31, 2014	\$4.20	\$2.10	\$2.10
August 1, 2014 through July 31, 2015	\$4.40	\$2.30	\$2.10

**AMENDMENT NO. 1
TO THE COMPOSITION ROOFERS LOCAL 42
PENSION PLAN**

PREAMBLE

The Board of Trustees has previously adopted a Restated Plan with an effective date of January 1, 2015 and has retained the authority to modify the Plan in the best interest of all participants and beneficiaries. The IRS has requested certain changes be made as part of the pending Determination Letter application. The purpose of this amendment is to ensure the Plan remains compliant with federal law.

AMENDMENT

* * * *

Effective as of January 1, 2015, Section 9.2(a)(4) shall be amended in its entirety to read as follows:

- (4) any hardship distribution.

* * * *

Effective as of January 1, 2015, Section 1.16 shall be modified as follows:

1.16 The term "Employee" shall include:

- (a) All the employees working or available for work in the Collective Bargaining Unit of the Union and represented for the purpose of collective bargaining by the Union who are employed by Employers who are signatory to the Trust Agreement or who signify their intention to be bound by this Trust Agreement by signing an Assent of Participation and by making payments into the Fund hereby created.
- (b) Elected or appointed Officers or Employees of the Union, providing that the Trustees agree to accept such Officers and Employees.
- (c) ~~Employees, if any, of the Trust Fund who are proposed and accepted for such benefits by the Trustees. As to such personnel who are Employees of the trust Fund, the Trustees shall be~~

~~deemed to be an Employer within the meaning of this Trust Agreement, and may provide benefits for said Employees out of said Trust Fund.~~

- (d)(c) A person, represented by or under the jurisdiction of the Union, who shall be employed by a Governmental Unit or Agency, and on whose behalf payment of contributions shall be made at the times and at the rate of payment equal to that paid by an Employer, as defined in Section 1.17 of this Article, in accordance with a written agreement, ordinance or resolution.

* * * *



Effective as of January 1, 2015, a new Section 14.11 shall be added to read as follows:

14.11 IRC Section 415. The final Section 415 regulations of the Internal Revenue Code are hereby incorporated by reference into this Plan.




* * * *

IN WITNESS WHEREOF, the Trustees have set their hands this 13th day of May, 2015.

EMPLOYER TRUSTEES

UNION TRUSTEES

**AMENDMENT NO. 2
TO THE ROOFERS LOCAL 42
PENSION PLAN**

PREAMBLE

The Board of Trustees has approved a Restated Plan Document with an effective date of January 1, 2015. The Board of Trustees has been granted the authority under the terms of the governing Trust document to amend the Plan and upon consultation with their professional advisors find it necessary to amend the Plan to update the current contribution and reserve rates.

AMENDMENT

* * * *

Effective June 1, 2017, Appendix A of the Restated Plan document will be amended in its entirety to read as follows:




Effective Dates	Journeyman Basic Pension Rate	Reserve	Benefit Credit Rate
September 1988 through July 1989	\$1.75	\$0.00	\$1.75
August 1989 through July 1990	\$2.00	\$0.00	\$2.00
August 1990 through July 1991	\$2.25	\$0.00	\$2.25
August 1991 through July 1995	\$2.50	\$0.00	\$2.50
August 1995 through October 1996	\$2.65	\$0.00	\$2.65
November 1996 through July 2002	\$2.80	\$0.00	\$2.80
August 2002 through July 2005	\$3.00	\$0.00	\$3.00
August 2005 through December 2008	\$3.40	\$0.00	\$3.40
January 1, 2009 through December 31, 2009	\$3.40	\$0.40	\$3.00
January 1, 2010 through July 31, 2010	\$3.40	\$1.30	\$2.10
August 1, 2010 through July 31, 2011	\$3.60	\$1.50	\$2.10
August 1, 2011 through July 31, 2012	\$3.80	\$1.70	\$2.10

August 1, 2012 through July 31, 2013	\$4.00	\$1.90	\$2.10
August 1, 2013 through July 31, 2014	\$4.20	\$2.10	\$2.10
August 1, 2014 through July 31, 2015	\$4.40	\$2.30	\$2.10
August 1, 2015 through July 31, 2016	\$4.60	\$2.50	\$2.10
August 1, 2016 through July 31, 2017	\$4.80	\$2.70	\$2.10
August 1, 2017 through July 31, 2018	\$5.00	\$2.90	\$2.10
August 1, 2018 through July 31, 2019	\$5.20	\$3.10	\$2.10
August 1, 2019 through July 31, 2020	\$5.40	\$3.30	\$2.10
August 1, 2020 through July 31, 2021	\$5.60	\$3.50	\$2.10
August 1, 2021 through July 31, 2022	\$5.80	\$3.70	\$2.10
August 1, 2022 through July 31, 2023	\$6.00	\$3.90	\$2.10
August 1, 2023 through July 31, 2024	\$6.20	\$4.10	\$2.10




* * * *

IN WITNESS WHEREOF, the undersigned do hereby cause this Amendment to be duly executed this 17th day of May, 2017.

EMPLOYER TRUSTEES

UNION TRUSTEES

**AMENDMENT NO. 3
TO THE ROOFERS LOCAL 42
PENSION PLAN**

PREAMBLE

The Board of Trustees has approved a Restated Plan Document with an effective date of January 1, 2015. The Board of Trustees has been granted authority under the terms of the governing Trust document to amend the Plan and upon consultation with their professional advisors find it necessary to amend the Plan to comply with the Department of Labor's Disability Claims Regulations.

AMENDMENT

* * * *

Effective January 1, 2018, Sections 13.2 (c) and (d) are deleted in their entirety and replaced with the following:

(c) Pursuant to procedures established by the Trustees and consistent with Section 503 of ERISA and applicable regulations contained at 29 CFR PART 2560, which are incorporated by reference herein, each Participant or Beneficiary whose claim for benefits under the Plan has been denied shall receive written notice of the denial. The notice will include: (1) the specific reason for the denial; (2) the section of the Plan and/or SPD upon which the denial was based; (3) a description of any additional information which the Participant or Beneficiary may need to provide to the administrator and an explanation as to why such information is necessary; (4) a copy of the Plan's appeal procedures; (5) notice of the internal rule or guideline used in making the decision (if applicable); and (6) a statement that the Participant or Beneficiary is entitled to receive upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claimant's benefit determination.

If the notice is for the denial of a disability claim it will also include: (1) the specific rules, guidelines, protocols, standards, or other similar criteria the Plan relied upon in making the adverse determination or alternatively a statement that such rules, guidelines, protocols, standards, or other similar criteria do not exist; (2) a discussion of the decision to disagree or not follow: (a) the views presented by health care professionals treating the Participant, (b) the views of medical or vocational experts whose advice was obtained on behalf of the plan, and/or (c) a disability determination made by the Social Security Administration; (3) If the denial is based on medical necessity, because the treatment was experimental, or another similar exclusion or limitation, either an explanation of the scientific or clinical judgment for the determination, applying the terms of

the Plan to the Participant's medical circumstances, or a statement that such an explanation will be provided free of charge upon request.

(d) Any Participant or Beneficiary who chooses to appeal an adverse benefit determination must file a written notice of appeal with the administrator no later than 180 days from the date the written notice of the adverse benefit determination is received. The appeal must include the Participant's name, current address, and decision being appealed. The Board shall consider any comments, documents, records, and other information submitted by the Participant or Beneficiary without regard to whether such information was submitted or considered in the initial benefit determination. The Board shall be empowered to hold a hearing at which the Participant or Beneficiary shall be entitled to present the basis of his claims for review and at which he may be represented by Counsel. The administrator shall also supply (on request) any documents or material to the Participant which may be relevant to the appeal. There will be no charge to the Participant or Beneficiary for the cost of copying such material.

If the Participant or Beneficiary is appealing a disability claim denial, the following also applies to the appeal: (1) The Participant or Beneficiary shall be provided with any new or additional evidence or rational considered or relied upon in connection with the claim automatically and free of charge; (2) The Participant or Beneficiary shall be provided with a review that does not afford deference to the initial adverse benefit determination and is conducted by an individual who did not make the initial adverse benefit determination nor the subordinate of that individual; (3) If the adverse benefit determination is based on whole or in part on a medical judgment including determinations regarding whether a treatment or drug is experimental, investigational, or not medically necessary, the individual making the determination will consult a health care professional who has appropriate training and experience in the medical field involved in the medical judgment and the medical or vocational expert will be identified; (4) The healthcare professional engaged for consultation will not be the individual who was consulted in making the adverse benefit determination that is the subject of the appeal, nor their subordinate.

* * * *


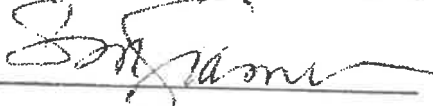
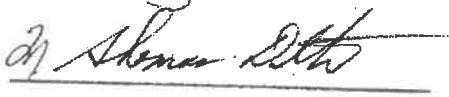
Effective January 1, 2018, the following language is added to the end of section 13.3:

If the notice is for the denial of a disability claim on appeal it will also include: (a) A discussion of the decision to disagree or not follow: (i) the views presented by health care professionals treating the Participant; (ii) the views of medical or vocational experts whose advice was obtained on behalf of the plan; and/or (iii) a disability determination made by the social security administration.




* * * *

IN WITNESS WHEREOF, the undersigned do hereby cause this Amendment to be duly executed
this 9th day of August, 2017.

EMPLOYER TRUSTEES

UNION TRUSTEES

**AMENDMENT NO. 4
TO THE ROOFERS LOCAL 42
PENSION PLAN**

PREAMBLE

The Board of Trustees has approved a Restated Plan Document with an effective date of January 1, 2015. The Board of Trustees has been granted the authority under the terms of the governing Trust document to amend the Plan and upon consultation with their professional advisors find it necessary to amend the Plan to update the suspension of benefit provisions.

AMENDMENT

* * * *

Effective October 1, 2017, Section 5.3 shall be amended to provide as follows:

5.3 Suspension or Loss of Benefits. A retired Employee who withdraws from retirement by working in disqualifying employment shall be prohibited from receiving or being entitled to any pension benefits for any month during which he is not in retirement. Disqualifying employment shall be construed to mean working in the industry or trade in any one or more of the following circumstances:

- (1) Employment by any contributing Employer in any position under the jurisdiction of the Union;
- (2) Employment by any entity in the same business as any contributing Employer;
- (3) Self-employment in the same business as any contributing Employer;
- (4) Employment or self-employment in any business which is or may be under the jurisdiction of the Union.

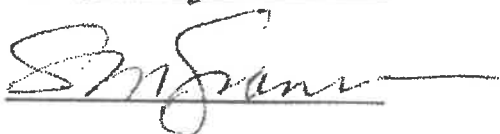
A Retiree will become disqualified by working more than 40 hours per month and shall have his benefits suspended for every month he was so employed. Pension benefits shall be adjusted at the end of the Plan Year in which re-employment was terminated to include the adjusted age of the Participant, and any contributions received on account of the Participant during such period of re-employment. Benefits will be adjusted as of the March 1st following the end of each Plan Year.

* * * *

IN WITNESS WHEREOF, the undersigned do hereby cause this Amendment to be duly executed
this 9th day of August, 2017.

EMPLOYER TRUSTEES







UNION TRUSTEES







**AMENDMENT NO. 6
TO THE ROOFERS LOCAL 42
PENSION PLAN**

PREAMBLE

The Board of Trustees has approved a Restated Plan Document with an effective date of January 1, 2015. The Board of Trustees has been granted the authority under the terms of the governing Trust document to amend the Plan and upon consultation with their professional advisors find it necessary to amend the Plan to update the suspension of benefit provisions.

AMENDMENT

* * * *

Effective April 1, 2018, Section 5.3 of the Plan shall be amended to provide as follows:

5.3 Suspension or Loss of Benefits.

(a) A retired Employee who withdraws from retirement by working in disqualifying employment shall be prohibited from receiving or being entitled to any pension benefits for any month during which he is not in retirement. Disqualifying employment shall be construed to mean working in the industry or trade in any one or more of the following circumstances:

- (1) Employment by any contributing Employer in any position under the jurisdiction of the Union;
- (2) Employment by any entity in the same business as any contributing Employer;
- (3) Self-employment in the same business as any contributing Employer;
- (4) Employment or self-employment in any business which is or may be under the jurisdiction of the Union.




A Retiree will become disqualified by working more than 40 hours per month and shall have his benefits suspended for every month he was so employed. Pension benefits shall be adjusted at the end of the Plan Year in which re-employment was terminated to include the adjusted age of the Participant, and any contributions received on account of the Participant during such period of re-employment. Benefits will be adjusted as of the March 1st following the end of each Plan Year.

(b) Any provision of this Article notwithstanding, the Board of Trustees may declare a temporary moratorium on the Suspension of Retirement Benefit Rules when they determine such action is in the best interest of the participants and beneficiaries. A moratorium has been declared for the period of April 1, 2018 through December 31, 2018 for any Retiree with an Annuity Starting Date prior to March 1, 2018 who returned to work in the circumstances listed in Section 5.3(a)(1); employment by any contributing Employer in any position under the jurisdiction of the Union, subject to such other terms and conditions as may be mandated by the Board of Trustees. At the discretion of the Trustees, the moratorium provided herein may be extended.




* * * *

IN WITNESS WHEREOF, the undersigned do hereby cause this Amendment to be duly executed this 10th day of April, 2018.

EMPLOYER TRUSTEES

UNION TRUSTEES

**AMENDMENT NO. 7
TO THE ROOFERS LOCAL 42
PENSION PLAN**

PREAMBLE

The Board of Trustees has approved a Restated Plan Document with an effective date of January 1, 2015. The Board of Trustees has been granted the authority under the terms of the governing Trust document to amend the Plan and upon consultation with their professional advisors find it necessary to amend the Plan.

AMENDMENT

* * * *

Effective October 30, 2018, Section 13.8 of the Plan shall be added to provide as follows:



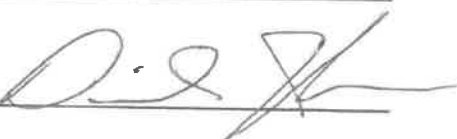
13.8 Restriction on Venue

A participant or Beneficiary shall only bring an action in connection with the Plan in the United States District Court for the Southern District of Ohio.



* * * *

IN WITNESS WHEREOF, the undersigned do hereby cause this Amendment to be duly executed this 30th day of October, 2018.

~ EMPLOYER TRUSTEES

UNION TRUSTEES

**AMENDMENT NO. 8
TO THE ROOFERS LOCAL 42
PENSION PLAN**

PREAMBLE

The Board of Trustees has approved a Restated Plan Document with an effective date of January 1, 2015. The Board of Trustees has been granted the authority under the terms of the governing Trust document to amend the Plan and upon consultation with their professional advisors find it necessary to amend the Plan to update the suspension of benefit provisions.

AMENDMENT

* * * *

Effective January 1, 2019 Section 5.3 of the Plan shall be amended to provide as follows:

5.3 Suspension or Loss of Benefits.

(a) A retired Employee who withdraws from retirement by working in disqualifying employment shall be prohibited from receiving or being entitled to any pension benefits for any month during which he is not in retirement. Disqualifying employment shall be construed to mean working in the industry or trade in any one or more of the following circumstances:

- (1) Employment by any contributing Employer in any position under the jurisdiction of the Union;
- (2) Employment by any entity in the same business as any contributing Employer;
- (3) Self-employment in the same business as any contributing Employer;
- (4) Employment or self-employment in any business which is or may be under the jurisdiction of the Union.

A Retiree will become disqualified by working more than 40 hours per month and shall have his benefits suspended for every month he was so employed. Pension benefits shall be adjusted at the end of the Plan Year in which re-employment was terminated to include the adjusted age of the Participant, and any contributions received on account of the Participant during such period of re-employment. Benefits will be adjusted as of the March 1st following the end of each Plan Year.

(b) Any provision of this Article notwithstanding, the Board of Trustees may declare a temporary moratorium on the Suspension of Retirement Benefit Rules when they determine such action is in the best interest of the participants and beneficiaries. Previously a moratorium had been declared for the period of April 1, 2018 through December 31, 2018 for any Retiree with an Annuity Starting Date prior to March 1, 2018 who returned to work in the circumstances listed in Section 5.3(a)(1); employment by any contributing Employer in any position under the jurisdiction of the Union, subject to such other terms and conditions as may be mandated by the Board of Trustees. The Board of Trustees has declared that the moratorium be extended through ~~June 30~~ December 31, 2019, for those with an Annuity Starting Date prior to December 1, 2018. At the discretion of the Trustees, the moratorium provided herein may be extended.

* * * *

IN WITNESS WHEREOF, the undersigned do hereby cause this Amendment to be duly executed this 19th day of March, 2019.

EMPLOYER TRUSTEES

M. Thomas Dalton

D. J. H.

UNION TRUSTEES

Paul H. Ziegler

Bruch B.

De A. H.

**AMENDMENT NO. 9
TO THE ROOFERS LOCAL 42
PENSION PLAN**

PREAMBLE

The Board of Trustees has approved a Restated Plan Document with an effective date of January 1, 2015. In accordance with the authority contained in Section 10.1 of the Plan Document, the following amendment shall be made effective on the date shown below. The purpose of this amendment is to help ensure compliance with the Required Minimum Distribution rules.

AMENDMENT

* * * *

Effective March 19, 2019, a new provision will be added to **Article VI FORM OF RETIREMENT BENEFITS** as Section 6.7 **Commencement of Benefits at Required Beginning Date** as follows:

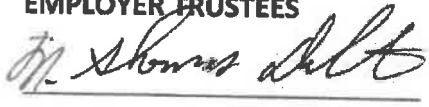


6.7 Commencement of Benefits at Required Beginning Date.

Notwithstanding any provision of the Plan, a Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's Required Beginning Date. The Administrator may commence benefit payment for any Participant who has not applied for a benefit prior to their Required Beginning Date. If necessary, such as when the Participant cannot be located, the Administrator may remit the full amount of the monthly benefit to the Internal Revenue Service as federal income tax withholding.

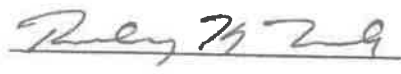


* * * *

IN WITNESS WHEREOF, the undersigned do hereby cause this Amendment to be duly executed this 19th day of March, 2019.

EMPLOYER TRUSTEES

UNION TRUSTEES

**AMENDMENT NO. 10
TO THE ROOFERS LOCAL 42
PENSION PLAN**

PREAMBLE

The Board of Trustees has approved a Restated Plan Document with an effective date of January 1, 2015. In accordance with the authority contained in Section 10.1 of the Plan Document, the following amendment shall be made effective on the dates shown below.

AMENDMENT

* * * *

Effective July 1, 2019, Section 3.4 Vested Retirement, will be amended in relevant part as follows:

3.4 Vested Deferred Retirement. As of January 1, 1987, an Employee who ceases to work for an Employer making contributions on his behalf to the Trust shall, if he has five (5) years or more of Credited Service and providing he applies therefore, be entitled to a retirement benefit commencing on the first (1st) day of the month following his fifty-eighth (58th) birthday, computed on the same basis as normal retirement under Section 4.1 hereof.

(a) An Employee who has satisfied the service requirement for an Early Retirement Benefit and is fully vested as provided in Section 3.4, but who separates from the service (ceases to be an Employee as defined herein) before satisfying the age requirement for such Early Retirement Benefit, is entitled upon satisfaction of said age requirement to receive a benefit not less than the benefit to which he would be entitled at age 58, reduced as provided in Section 4.3.

Effective July 1, 2019, Section 4.3 Early Retirement, will be amended and shall provide as follows:

4.3 Early Retirement. The monthly retirement benefit of an Employee eligible for retirement benefits and who has applied therefor for commencement on or after age fifty-five (55) years, and prior to age fifty-eight (58) years shall be computed on the same basis as "Normal Retirement" under Section 4.1, reduced by five-ninths of one percent (5/9th of 1%) for each month that the early retirement date is prior to the first (1st) of the month next following the fifty-eighth (58th) birthday.

(a) Effective for Annuity Starting Dates on and after July 1, 2019, the monthly retirement benefit of Participant eligible for retirement benefits and who has applied therefor for commencement on or after age fifty-five (55) years, and prior

to age fifty-eight (58) years shall be the Actuarial Equivalent of the "Normal Retirement" under Section 4.1

Effective July 1, 2019, Section 4.4 Disability Retirement, will be amended, and shall provide as follows:

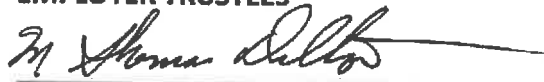

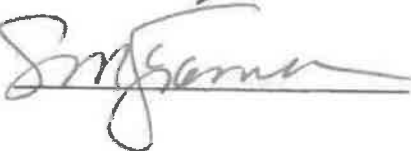
4.4 Disability Retirement.

- (a) There shall be no disability retirement benefits for an employee who has less than five (5) years of Credited Service at the time of disability.
- (b) For disability retirements prior to July 1, 2019, the retirement benefit of an Employee who is eligible and has applied for disability retirement and who has five (5) or more years of Credited Service under the Plan shall be a monthly pension equal to his Accrued Benefit as of the date of disability, reduced by five-ninths of one percent ($5/9^{\text{th}}$ of 1%) for each month that the disability retirement date is prior to the first day of the month next following the participant's 58th birthday. The reduction is based on the participant's age as of the date of the disability. There shall be no further reduction for those below age 55.
- (c) Effective for disability applications received on or after July 1, 2019, the retirement benefit of an Employee who is eligible and has applied for disability retirement and who has five (5) or more years of Credited Service under the Plan shall be a monthly pension equal to the Actuarial Equivalent of his Accrued Benefit as of the date of disability.




* * * *

IN WITNESS WHEREOF, the undersigned do hereby cause this Amendment to be duly executed this 18th day of June, 2019.

EMPLOYER TRUSTEES

UNION TRUSTEES

Composition Roofers' Local 42 Pension Plan

205 West Fourth Street, Suite 225
Cincinnati OH 45202
(513)381-6886 * 800-832-7113

ROOFERS LOCAL 42 PENSION PLAN SUMMARY OF MATERIAL MODIFICATIONS

Notice of Plan Changes

This Summary of Material Modification (SMM) is being sent to all active and retired members who participate in the Roofers Local No. 42 Pension Plan. It is intended to advise you of changes to your Plan. Please take the time to read this carefully and keep it with your Summary Plan Description (SPD). If you have any questions regarding the Plan, please do not hesitate to contact the Fund Office.

Effective July 1, 2019, individual Plan Participants who are otherwise eligible for Early Retirement as defined in the Plan, but who have separated from covered employment, are eligible for Early Retirement from the Plan.

In light of the Plan's funding status, effective for Annuity Starting Dates on and after July 1, 2019, the monthly retirement benefit of Participant eligible for Early Retirement shall be the Actuarial Equivalent of the "Normal Retirement" as defined in the Plan. The result will be a greater reduction in benefit for those seeking to retire early.

For example, under the prior Plan rules, if a participant was age 55 and had a \$1,000 accrued benefit, he would be entitled to an Early Retirement, with a monthly pension amount of \$800.00 ($\$1,000 \times .80 = \800.00).

Under the new Plan rules, effective for those entering pay status on or after July 1, 2019, if a participant is age 55 and has a \$1,000 accrued benefit, they would be entitled to a monthly pension amount of \$750.72 ($\$1,000 \times .750715 = \750.72).

The exact reduction factor depends on the participant's age when they are seeking Early Retirement.

Effective for disability applications received on or after July 1, 2019, the retirement benefit of an Employee who is eligible and has applied for disability retirement and who has five (5) or more years of Credited Service under the Plan shall be a monthly pension equal to the Actuarial Equivalent of his Accrued Benefit as of the date of disability. As with the Early Retirement changes described above, this will result in a greater reduction of the monthly benefit for those taking a Disability benefit.

Please contact the Administrator if you have any questions.

Sincerely,

Board of Trustees
Roofers Local 42 Pension Plan

Composition Roofers' Local 42 Pension Plan

205 West Fourth Street, Suite 225
Cincinnati OH 45202
(513)381-6886 * 800-832-7113

ROOFERS LOCAL 42 PENSION PLAN SUMMARY OF MATERIAL MODIFICATIONS

Notice of Plan Changes

This Summary of Material Modification (SMM) is being sent to all active and retired members who participate in the Roofers Local No. 42 Pension Plan. It is intended to advise you of changes to your Plan. Please take the time to read this carefully and keep it with your Summary Plan Description (SPD). If you have any questions regarding the Plan, please do not hesitate to contact the Fund Office.

Many Plan Participants are choosing to work longer in order to help ensure they can live comfortably during retirement. The law currently allows you to postpone your retirement beyond your normal retirement date, but no later than April 1st following the calendar year in which you reach age 70½. The failure to begin your retirement by this date may result in significant excise taxes from the IRS and should be avoided. In order to ensure the Plan can communicate with you about all Plan benefits, it is very important that you keep your address updated with the Administrator.

Beginning March 19, 2019, the Plan Administrator has the discretion to mandate payment of a Participant's benefit by April 1st following the calendar year in which he or she reaches age 70½. This can be done with or without the Participant's consent. If necessary, the Administrator will pay the full amount of the monthly benefit to the IRS as federal income tax withholding. This allows for compliance with the IRS rules, avoids excise taxes and should generate an income tax refund for the Participant.

The Plan's legal counsel, which acts as an agent for service of legal process for the Plan, has recently moved. Should you need to serve legal papers on the Plan, you may do so at legal counsel's new address:

Ledbetter Parisi LLC
70b Rhoads Center Drive
Centerville, Oh 45458

While the changes described in this notice will impact very few Participants, please contact the Administrator if you have any questions.

Sincerely,

Board of Trustees
Roofers Local 42 Pension Plan

Composition Roofers' Local 42 Pension Plan

205 West Fourth Street, Suite 225
Cincinnati OH 45202
(513)381-6886 * 800-832-7113

ROOFERS LOCAL 42 PENSION PLAN SUMMARY OF MATERIAL MODIFICATIONS (March 2019)

Temporary Change-- Disqualifying Employment and Suspension or Loss of Benefits

The Plan was recently amended to temporarily cease application of the suspension of benefits rules for covered work performed for contributing employers.

Benefit Suspension Rules

Effective January 1, 2019, Roofers Local 42 Pension Plan (the "Plan") has been amended to make a temporary change to the Suspension of Benefit Rules. This change is expected to last through December 31, 2019. If this time period is to be extended, you will be notified in writing.

The Plan was amended to temporarily ease the suspension of benefits rules. This change will give you the option to return to work for an employer that contributes to the Plan, without risking a suspension of your Local Pension benefits. The Board of Trustees may terminate this provision at any time.

Please understand that this rule only impacts the Roofers Local 42 Pension Plan. You should contact the National Roofing Industry Pension Plan (www.nirpf.com) to determine their rules on post-retirement work.

Please contact the Benefit Office if you have questions about these changes.

Sincerely,

Board of Trustees
Roofers Local 42 Pension Plan

Composition Roofers' Local 42 Pension Plan

205 West Fourth Street, Suite 225
Cincinnati OH 45202
(513)381-6886 * 800-832-7113

ROOFERS LOCAL 42 PENSION PLAN SUMMARY OF MATERIAL MODIFICATIONS (October 2018)

This Summary of Material Modifications (SMM) is intended to advise you of changes to the Roofers Local 42 Pension Plan. Please take the time to read this carefully and keep it with your Summary Plan Description (SPD). If you have any questions regarding the Plan, please do not hesitate to contact the Fund Office.

Forum Selection

Effective October 30, 2018, you may only bring a civil legal action in connection with the Plan in the United States District Court for the Southern District of Ohio.

Please contact the Benefit Office if you have questions about these changes.

Sincerely,

Board of Trustees
Roofers Local 42 Pension Plan

COMPOSITION ROOFERS' LOCAL 42 PENSION PLAN
205 West Fourth Street, Suite 225
Cincinnati, Ohio 45202
(513) 381-6886 | (800) 832-7113

ROOFERS LOCAL 42 PENSION PLAN
SUMMARY OF MATERIAL MODIFICATIONS
(April 2018)

Temporary Change-- Disqualifying Employment and Suspension or Loss of Benefits

The Plan was recently amended to temporarily cease application of the suspension of benefits rules for covered work performed for contributing employers.

Benefit Suspension Rules

Effective April 1, 2018, Roofers Local 42 Pension Plan (the "Plan") has been amended to make a temporary change to the Suspension of Benefit Rules. This change is expected to last through December 31, 2018. If this time period is to be extended, you will be notified in writing.

The Plan was amended to temporarily ease the suspension of benefits rules. This change will give you the option to return to work for an employer that contributes to the Plan, without risking a suspension of your Local Pension benefits. The Board of Trustees may terminate this provision at any time.

Please understand that this rule only impacts the Roofers Local 42 Pension Plan. You should contact the National Roofing Industry Pension Plan (www.nirpf.com) to determine their rules on post-retirement work.

Please contact the Benefit Office if you have questions about these changes.

Sincerely,

Board of Trustees
Roofers Local 42 Pension Plan

COMPOSITION ROOFERS' LOCAL 42 PENSION PLAN

205 West Fourth Street, Suite 225
Cincinnati OH 45202
(513) 381-6886 | (800) 832-7113

SUMMARY OF MATERIAL MODIFICATIONS

Important Changes to Post-Retirement Work Rules

This Summary of Material Modifications (SMM) is being sent to all active and retired members who participate in the Roofers Local 42 Pension Plan ("Plan"). It is intended to advise you of changes to your Plan. Please take the time to read this carefully and keep it with your Summary Plan Description (SPD). If you have any questions regarding the Plan, please do not hesitate to contact the Fund Office.

The April 1, 2014 Summary Plan Description, outlines the Plan's current suspension of benefits rules. A slight change is being made to the suspension rules that is expected to have a positive impact on the financial health of the Pension Plan. Beginning October 1, 2017, a retiree may return to work in a non-bargaining unit position for any employer that contributes to the Pension Plan. By allowing retirees to work in office, managerial and similar positions for contributing employers, the Board anticipates the Plan will benefit from increased work hours.

Example: Assume Bob is a retiree from the Roofers 42 Pension Plan and is offered a position as a salesperson for a contributing employer. Beginning October 1, 2017, he may accept this job without jeopardizing his monthly pension benefit.

Example #2: Same facts as above, but Bob wants to return to work for a contributing employer in a job that is covered by the collective bargaining agreement. This would not be permitted and the Plan may be forced to suspend Bob's benefit. The exception only applies to work that is not under the jurisdiction of the Union.

Example #3: Same facts as above, but Bob wants to work in sales for an employer that does not participate in the Pension Plan. This work is still prohibited because it will not help maintain or increase the work hours and contributions made to the Roofers Local 42 Pension Plan.

Please contact the Benefit Office if you have any questions about these changes.

Sincerely,

The Board of Trustees

COMPOSITION ROOFERS' LOCAL 42 PENSION PLAN

205 West Fourth Street, Suite 225
Cincinnati OH 45202
(513) 381-6886 | (800) 832-7113

SUMMARY OF MATERIAL MODIFICATIONS

Important Changes for Disability Claims

This Summary of Material Modifications (SMM) is being sent to all active and retired members who participate in the Roofers Local 42 Pension Plan ("Plan"). It is intended to advise you of changes to your Plan. Please take the time to read this carefully and keep it with your Summary Plan Description (SPD). If you have any questions regarding the Plan, please do not hesitate to contact the Fund Office.

As a Participant in the Plan you have certain rights if your disability pension benefits are denied on or after 1/1/18.

Disability Claims Denials

- If your disability claim is denied, you must be notified by the Plan within 45 days of receipt of your application.
- Your denial notification must include:
 - An explanation for why the Plan disagreed with the Social Security Administration, your health professional, and/or medical or vocational experts whose advice was obtained on behalf of the Plan.
 - The rules relied upon in denying your claim. You can request copies of Plan documents and information about your claim free of charge.
 - If applicable, the scientific or clinical judgment for the denial that applies the terms of the Plan to your medical circumstances.

Appealing a Disability Claim Denial

- Rescissions (a retroactive cancellation of disability benefits) are appealable.
- You have 180 days from the date of the denial of your claim to file an appeal.
- If the Plan obtains new evidence on your claim during the appeal, you will be provided the evidence automatically, free of charge, and will have the right to respond to the new evidence.
- Generally, the appeal will be considered at the Trustees' quarterly meeting and you will be notified of the Trustees' decision within 5 days of the decision being made.
- The notification of the decision will contain all of the information listed in the section above in addition to a description of your right to bring action under ERISA Section 502(a) and the statute to bring that action.
- As a reminder, there is a 3-year statute of limitations to bring civil action against the Plan.

Please contact the Benefit Office if you have any questions about these changes.

Sincerely,

The Board of Trustees

COMPOSITION ROOFERS LOCAL # 42 PENSION FUND

**205 West Fourth Street, Suite 225
Cincinnati, Ohio 45202
Phone: 513-381-6886 or 1-800-832-7113 or Fax 513-381-0238**

IMPORTANT NOTICE September 2014

This notice is being provided to all of the Plan's participants and beneficiaries. It outlines certain changes made to the Roofers Local 42 Pension Plan and is designed to help you understand your benefits. If you have any questions about this notice, please feel free to contact the administrator.

No Early Retirement Benefits for Terminated Vested Participants

Effective January 1, 2014, the Plan no longer offers Early Retirement benefits to vested participants who are not Active Participants, as defined by the Plan rules. An Active Participant is a Participant who has completed at least one (1) Hour of Service in the Plan Year immediately preceding the Plan Year in which he or she retires. Terminated, vested participants remain eligible for a monthly pension once they reach Normal Retirement Age. Therefore, please note that any reference to Early Retirement in the April 2014 Summary Plan Description applies only to participants who are Active Participants.

Example: Bill is about to turn age 55 and worked for a contributing employer for 15 years prior to leaving the industry in 2005. Bill has earned a vested benefit from the Plan, but because he is no longer actively employed under the collective bargaining agreement, he must wait until age 58 to receive payments.

Important Changes for Same-Sex Spouses Under the Plan

In June of 2013 the United States Supreme Court ruled that for purposes of federal law, a "spouse" includes a same-sex spouse if the individuals were legally married in a state

that recognizes same-sex marriage. The Roofers Local No. 42 Pension Plan (the "Plan") is governed by federal law and has been amended to comply with the Court's ruling and newly issued IRS regulations.

Effective June 26, 2013, the Plan will recognize same-sex marriages as legal regardless of whether the state in which the couple resides recognizes same-sex marriages. The Plan will not recognize domestic partnerships or civil unions as marriages for same-sex or opposite-sex couples.

Example: Doug, a participant in the Plan, marries his partner, John, in New York. Doug and John live in Cincinnati, Ohio. New York recognizes same-sex marriages; Ohio does not. John will be considered Doug's lawful spouse under the Plan because Doug and John were legally married in a state that recognizes same-sex marriages. John will be eligible for the same benefits as an opposite-sex spouse, including the right to be named as the spouse for joint and survivor annuity purposes.

Example: Linda, a participant in the Plan, enters into a civil union with her partner, Mary. Mary is not eligible for spousal rights under the Plan because she has not lawfully entered into a marriage in any state.

If you began receiving pension benefits under the Plan on or after June 26, 2013 and you elected a single life annuity, you have the option of changing your form of payment retroactively to a joint and survivor annuity to include your same-sex spouse as your surviving spouse. Please contact the Benefit Office as soon as possible if you would like to change your benefit election to account for your same-sex spouse.

Please contact the Benefit Office if you have questions about these changes.

Sincerely,

Board of Trustees

Roofers Local No. 42 Pension Fund

Please keep this Summary of Material Modification with your Summary Plan Description. These important changes affect the pension benefits that are provided to you and your family. If you have any questions, please contact the Benefit Office.