

<b>Form 5500</b> Department of the Treasury Internal Revenue Service  Department of Labor Employee Benefits Security Administration  Pension Benefit Guaranty Corporation	<b>Annual Return/Report of Employee Benefit Plan</b> This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).  <b>Complete all entries in accordance with the instructions to the Form 5500.</b>	OMB Nos. 1210-0110 1210-0089  <div style="font-size: 24pt; font-weight: bold;">2015</div>  This Form Is Open to Public Inspection
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<b>Part I Annual Report Identification Information</b>	
For calendar plan year 2015 or fiscal plan year beginning <u>05/01/2015</u> and ending <u>04/30/2016</u>	
A This return/report is for:	<input checked="" type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or <input type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) _____ B This return/report is: <input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report; <input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months). C If the plan is a collectively-bargained plan, check here: <input checked="" type="checkbox"/> D Check box if filing under: <input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program; <input type="checkbox"/> special extension (enter description) _____

<b>Part II Basic Plan Information—enter all requested information</b>											
<b>1a</b> Name of plan SHEET METAL WORKERS LOCAL PENSION PLAN  <b>2a</b> Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) BOARD OF TRUSTEES SHEET METAL WORKERS LOCAL PENSION PLAN  1890 VENTURE CIRCLE SE  MASSILLON OH 44646	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="background-color: #f2f2f2;"><b>1b</b> Three-digit plan number (PN) ▶</td> <td>001</td> </tr> <tr> <td style="background-color: #f2f2f2;"><b>1c</b> Effective date of plan</td> <td>05/18/1961</td> </tr> <tr> <td style="background-color: #f2f2f2;"><b>2b</b> Employer Identification Number (EIN)</td> <td>34-6666753</td> </tr> <tr> <td style="background-color: #f2f2f2;"><b>2c</b> Plan Sponsor's telephone number</td> <td>330-833-2888</td> </tr> <tr> <td style="background-color: #f2f2f2;"><b>2d</b> Business code (see instructions)</td> <td>238220</td> </tr> </table>	<b>1b</b> Three-digit plan number (PN) ▶	001	<b>1c</b> Effective date of plan	05/18/1961	<b>2b</b> Employer Identification Number (EIN)	34-6666753	<b>2c</b> Plan Sponsor's telephone number	330-833-2888	<b>2d</b> Business code (see instructions)	238220
<b>1b</b> Three-digit plan number (PN) ▶	001										
<b>1c</b> Effective date of plan	05/18/1961										
<b>2b</b> Employer Identification Number (EIN)	34-6666753										
<b>2c</b> Plan Sponsor's telephone number	330-833-2888										
<b>2d</b> Business code (see instructions)	238220										

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

<b>SIGN HERE</b>		<u>2/8/17</u>	BRAD KLAUSNER
	Signature of individual signing as plan administrator	Date	Enter name of individual signing as plan administrator
<b>SIGN HERE</b>		<u>2-8-17</u>	PHILIP CHIARAPPA
	Signature of employer or plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
<b>SIGN HERE</b>			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

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<b>3a</b> Plan administrator's name and address <input type="checkbox"/> Same as Plan Sponsor BOARD OF TRUSTEES SHEET METAL WORKERS LOCAL PENSION PLAN  1890 VENTURE CIRCLE SE  MASSILLON OH 44646	<b>3b</b> Administrator's EIN 34-6666753 <b>3c</b> Administrator's telephone number 330-833-2888
<b>4</b> If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: <b>a</b> Sponsor's name	<b>4b</b> EIN  <b>4c</b> PN
<b>5</b> Total number of participants at the beginning of the plan year	<b>5</b> 1,557
<b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1), 6a(2), 6b, 6c, and 6d).	
<b>a(1)</b> Total number of active participants at the beginning of the plan year.....	<b>6a(1)</b> 651
<b>a(2)</b> Total number of active participants at the end of the plan year .....	<b>6a(2)</b> 655
<b>b</b> Retired or separated participants receiving benefits.....	<b>6b</b> 433
<b>c</b> Other retired or separated participants entitled to future benefits.....	<b>6c</b> 369
<b>d</b> Subtotal. Add lines 6a(2), 6b, and 6c. ....	<b>6d</b> 1,457
<b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	<b>6e</b> 121
<b>f</b> Total. Add lines 6d and 6e. ....	<b>6f</b> 1,578
<b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	<b>6g</b>
<b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested .....	<b>6h</b>
<b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....	<b>7</b> 75
<b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1B 1I	
<b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

<b>9a</b> Plan funding arrangement (check all that apply) (1) <input checked="" type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	<b>9b</b> Plan benefit arrangement (check all that apply) (1) <input checked="" type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
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**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

<b>a Pension Schedules</b> (1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)  (2) <input checked="" type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary  (3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	<b>b General Schedules</b> (1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information) (2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan) (3) <input checked="" type="checkbox"/> <u>1</u> <b>A</b> (Insurance Information) (4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information) (5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information) (6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules)
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<b>SCHEDULE MB</b> <b>(Form 5500)</b> <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	<b>Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).  <b>► File as an attachment to Form 5500 or 5500-SF.</b>	OMB No. 1210-0110  <b>2015</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2015 or fiscal plan year beginning 05/01/2015 and ending 04/30/2016

► Round off amounts to nearest dollar.

► Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

<b>A</b> Name of plan SHEET METAL WORKERS LOCAL PENSION PLAN	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"><b>B</b> Three-digit plan number (PN) ►</td> <td style="width: 20%; text-align: center;">001</td> </tr> </table>	<b>B</b> Three-digit plan number (PN) ►	001
<b>B</b> Three-digit plan number (PN) ►	001		
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF BOARD OF TRUSTEES SHEET METAL WORKERS LOCAL PENSION PLAN	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td><b>D</b> Employer Identification Number (EIN) 34-6666753</td> </tr> </table>	<b>D</b> Employer Identification Number (EIN) 34-6666753	
<b>D</b> Employer Identification Number (EIN) 34-6666753			

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

**1a** Enter the valuation date: Month 05 Day 01 Year 2015

**b** Assets

(1) Current value of assets .....	<b>1b(1)</b>	41,508,264
(2) Actuarial value of assets for funding standard account .....	<b>1b(2)</b>	47,518,829

**c** (1) Accrued liability for plan using immediate gain methods .....

(2) Information for plans using spread gain methods:		
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(a) Unfunded liability for methods with bases .....	<b>1c(2)(a)</b>	
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(b) Accrued liability under entry age normal method .....	<b>1c(2)(b)</b>	
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(c) Normal cost under entry age normal method .....	<b>1c(2)(c)</b>	
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(3) Accrued liability under unit credit cost method .....	<b>1c(3)</b>	83,884,650
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**d** Information on current liabilities of the plan:

(1) Amount excluded from current liability attributable to pre-participation service (see instructions) .....	<b>1d(1)</b>	
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(2) "RPA '94" information:

(a) Current liability .....	<b>1d(2)(a)</b>	150,371,619
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(b) Expected increase in current liability due to benefits accruing during the plan year .....	<b>1d(2)(b)</b>	0
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(c) Expected release from "RPA '94" current liability for the plan year .....	<b>1d(2)(c)</b>	5,781,159
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(3) Expected plan disbursements for the plan year .....	<b>1d(3)</b>	5,878,572
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**Statement by Enrolled Actuary**

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

<b>SIGN HERE</b>	ERIKA L CREAGER  Signature of actuary ERIKA L. CREAGER, EA, MAAA  Type or print name of actuary UNITED ACTUARIAL SERVICES, INC.  Firm name 11590 N MERIDIAN STREET SUITE 610 CARMEL IN Address of the firm 46032-4529	02/03/2017 Date 1407288 Most recent enrollment number 317-580-8631 Telephone number (including area code)
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If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or Form 5500-SF.

Schedule MB (Form 5500) 2015  
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<b>a</b> Current value of assets (see instructions) .....		<b>2a</b>	41,508,264
<b>b</b> "RPA '94" current liability/participant count breakdown:		<b>(1) Number of participants</b>	<b>(2) Current liability</b>
<b>(1)</b> For retired participants and beneficiaries receiving payment .....		521	69,290,077
<b>(2)</b> For terminated vested participants .....		376	27,691,767
<b>(3)</b> For active participants:			
<b>(a)</b> Non-vested benefits .....			1,820,353
<b>(b)</b> Vested benefits .....			51,569,422
<b>(c)</b> Total active .....		648	53,389,775
<b>(4)</b> Total .....		1,545	150,371,619
<b>c</b> If the percentage resulting from dividing line 2a by line 2b(4), column (2), is less than 70%, enter such percentage .....		<b>2c</b>	27.60%

Contributions made to the plan for the plan year by employer(s) and employee(s)					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/30/2016	3,815,488	0			
			Totals ►	3(b)	3,815,488 3(c) 0

<p><b>a</b> Funded percentage for monitoring plan's status (line 1b(2) divided by line 1c(3)).....</p>	<b>4a</b>	56.6 %
<p><b>b</b> Enter code to indicate plan's status (see instructions for attachment of supporting evidence of plan's status). If code is "N," go to line 5. ....</p>	<b>4b</b>	C
<p><b>c</b> Is the plan making the scheduled progress under any applicable funding improvement or rehabilitation plan? ..... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>		
<p><b>d</b> If the plan is in critical status or critical and declining status, were any benefits reduced (see instructions)?..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>		
<p><b>e</b> If line d is "Yes," enter the reduction in liability resulting from the reduction in adjustable benefits, measured as of the valuation date.....</p>	<b>4e</b>	
<p><b>f</b> If the rehabilitation plan projects emergence from critical status or critical and declining status, enter the plan year in which it is projected to emerge. If the rehabilitation plan is based on forestalling possible insolvency, enter the plan year in which insolvency is expected and check here ..... <input checked="" type="checkbox"/></p>	<b>4f</b>	2033

**a** ☐ Attained age normal      **b** ☐ Entry age normal      **c** ☒ Accrued benefit (unit credit)      **d** ☐ Aggregate

**e** ☐ Frozen initial liability      **f** ☐ Individual level premium      **g** ☐ Individual aggregate      **h** ☐ Shortfall

i ☐ Reorganization j ☐ Other (specify):

k If box h is checked, enter period of use of shortfall method .....5k

l Has a change been made in funding method for this plan year? ..... ☐ Yes ☒ No

m If line l is "Yes," was the change made pursuant to Revenue Procedure 2000-40 or other automatic approval? ..... ☐ Yes ☐ No

n If line l is "Yes," and line m is "No," enter the date (MM-DD-YYYY) of the ruling letter (individual or class) approving the change in funding method .....5n

## 6 Checklist of certain actuarial assumptions:

a Interest rate for "RPA '94" current liability. ....6a 3.37%

	Pre-retirement			Post-retirement		
	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A
b Rates specified in insurance or annuity contracts .....						
c Mortality table code for valuation purposes:						
(1) Males .....	6c(1)	11P+1		11P+1		
(2) Females .....	6c(2)	11FP+1		11FP+1		
d Valuation liability interest rate .....	6d	8.00%		8.00%		
e Expense loading .....	6e	100.0 %	<input type="checkbox"/> N/A	%	<input checked="" type="checkbox"/> N/A	
f Salary scale .....	6f	%	<input checked="" type="checkbox"/> N/A			
g Estimated investment return on actuarial value of assets for year ending on the valuation date .....	6g			1.8%		
h Estimated investment return on current value of assets for year ending on the valuation date .....	6h			7.4%		

## 7 New amortization bases established in the current plan year:

(1) Type of base	(2) Initial balance	(3) Amortization Charge/Credit
1	3,199,565	346,115
4	51,343	5,554

## 8 Miscellaneous information:

a If a waiver of a funding deficiency has been approved for this plan year, enter the date (MM-DD-YYYY) of the ruling letter granting the approval .....8a

b(1) Is the plan required to provide a projection of expected benefit payments? (See the instructions.) If "Yes," attach a schedule. ☒ Yes ☐ No

b(2) Is the plan required to provide a Schedule of Active Participant Data? (See the instructions.) If "Yes," attach a schedule. ☒ Yes ☐ No

c Are any of the plan's amortization bases operating under an extension of time under section 412(e) (as in effect prior to 2008) or section 431(d) of the Code? ..... ☐ Yes ☒ No

d If line c is "Yes," provide the following additional information:

(1) Was an extension granted automatic approval under section 431(d)(1) of the Code? ..... ☐ Yes ☐ No

(2) If line 8d(1) is "Yes," enter the number of years by which the amortization period was extended .....8d(2)

(3) Was an extension approved by the Internal Revenue Service under section 412(e) (as in effect prior to 2008) or 431(d)(2) of the Code? ..... ☐ Yes ☐ No

(4) If line 8d(3) is "Yes," enter number of years by which the amortization period was extended (not including the number of years in line (2)) .....8d(4)

(5) If line 8d(3) is "Yes," enter the date of the ruling letter approving the extension .....8d(5)

(6) If line 8d(3) is "Yes," is the amortization base eligible for amortization using interest rates applicable under section 6621(b) of the Code for years beginning after 2007? ..... ☐ Yes ☐ No

e If box 5h is checked or line 8c is "Yes," enter the difference between the minimum required contribution for the year and the minimum that would have been required without using the shortfall method or extending the amortization base(s) .....8e

## 9 Funding standard account statement for this plan year:

## Charges to funding standard account:

a Prior year funding deficiency, if any .....9a 2,245,624

b Employer's normal cost for plan year as of valuation date .....9b 259,615

		Outstanding balance	
<b>c</b> Amortization charges as of valuation date:			
(1) All bases except funding waivers and certain bases for which the amortization period has been extended.....	9c(1)	59,329,988	8,686,205
(2) Funding waivers.....	9c(2)	0	0
(3) Certain bases for which the amortization period has been extended.....	9c(3)	0	0
<b>d</b> Interest as applicable on lines 9a, 9b, and 9c.....	9d		895,311
<b>e</b> Total charges. Add lines 9a through 9d.....	9e		12,086,755
<b>Credits to funding standard account:</b>			
<b>f</b> Prior year credit balance, if any.....	9f		0
<b>g</b> Employer contributions. Total from column (b) of line 3.....	9g		3,815,488
		Outstanding balance	
<b>h</b> Amortization credits as of valuation date.....	9h	25,209,791	5,527,467
<b>i</b> Interest as applicable to end of plan year on lines 9f, 9g, and 9h.....	9i		594,817
<b>j</b> Full funding limitation (FFL) and credits:			
(1) ERISA FFL (accrued liability FFL).....	9j(1)	46,047,297	
(2) "RPA '94" override (90% current liability FFL).....	9j(2)	89,589,545	
(3) FFL credit.....	9j(3)		0
<b>k</b> (1) Waived funding deficiency.....	9k(1)		0
(2) Other credits.....	9k(2)		0
<b>l</b> Total credits. Add lines 9f through 9i, 9j(3), 9k(1), and 9k(2).....	9l		9,937,772
<b>m</b> Credit balance: If line 9l is greater than line 9e, enter the difference.....	9m		
<b>n</b> Funding deficiency: If line 9e is greater than line 9l, enter the difference.....	9n		2,148,983
<b>9o</b> Current year's accumulated reconciliation account:			
(1) Due to waived funding deficiency accumulated prior to the 2014 plan year.....	9o(1)		0
(2) Due to amortization bases extended and amortized using the interest rate under section 6621(b) of the Code:			
(a) Reconciliation outstanding balance as of valuation date.....	9o(2)(a)		
(b) Reconciliation amount (line 9c(3) balance minus line 9o(2)(a)).....	9o(2)(b)		0
(3) Total as of valuation date.....	9o(3)		0
<b>10</b> Contribution necessary to avoid an accumulated funding deficiency. (See instructions.).....	10		2,148,983
<b>11</b> Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions. ....	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

<b>SCHEDULE R</b> <b>(Form 5500)</b> <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	<b>Retirement Plan Information</b>  This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). <b>► File as an attachment to Form 5500.</b>	<small>OMB No. 1210-0110</small>  <b>2015</b>  <b>This Form is Open to Public Inspection.</b>
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For calendar plan year 2015 or fiscal plan year beginning 05/01/2015 and ending 04/30/2016

<b>A</b> Name of plan <u>SHEET METAL WORKERS LOCAL PENSION PLAN</u>	<b>B</b> Three-digit plan number (PN) <u>001</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <u>BOARD OF TRUSTEES SHEET METAL WORKERS LOCAL PENSION PLAN</u>	<b>D</b> Employer Identification Number (EIN) <u>34-6666753</u>

<b>Part I</b>	<b>Distributions</b>
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All references to distributions relate only to payments of benefits during the plan year.

<b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	<b>1</b>	<u>0</u>
<b>2</b> Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>34-0383347</u>		
<b>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</b>		
<b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	<b>3</b>	<u>0</u>

<b>Part II</b>	<b>Funding Information</b> (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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<b>4</b> Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? .....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A
<b>If the plan is a defined benefit plan, go to line 8.</b>			
<b>5</b> If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. <b>Date:</b> Month _____ Day _____ Year _____ <b>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.</b>			
<b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....	<b>6a</b>		
<b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....	<b>6b</b>		
<b>c</b> Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	<b>6c</b>		
<b>If you completed line 6c, skip lines 8 and 9.</b>			
<b>7</b> Will the minimum funding amount reported on line 6c be met by the funding deadline? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<b>8</b> If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A

<b>Part III</b>	<b>Amendments</b>
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<b>9</b> If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input type="checkbox"/> Both	<input checked="" type="checkbox"/> No
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<b>Part IV</b>	<b>ESOPs</b> (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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<b>10</b> Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>11 a</b> Does the ESOP hold any preferred stock? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>b</b> If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>12</b> Does the ESOP hold any stock that is not readily tradable on an established securities market? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2015  
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**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

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

<b>a</b>	Name of contributing employer			THE K COMPANY, INC.
<b>b</b>	EIN	34-1113803	<b>c</b>	Dollar amount contributed by employer 428,058
<b>d</b>	Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month 05 Day 31 Year 2017			
<b>e</b>	Contribution rate information (If more than one rate applies, check this box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)			
(1)	Contribution rate (in dollars and cents) 5.18			
(2)	Base unit measure: <input checked="" type="checkbox"/> Hourly <input type="checkbox"/> Weekly <input type="checkbox"/> Unit of production <input type="checkbox"/> Other (specify):			
<b>a</b>	Name of contributing employer			EAST COAST METAL SYSTEMS, INC.
<b>b</b>	EIN	55-0702472	<b>c</b>	Dollar amount contributed by employer 415,514
<b>d</b>	Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month 06 Day 30 Year 2019			
<b>e</b>	Contribution rate information (If more than one rate applies, check this box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)			
(1)	Contribution rate (in dollars and cents) 4.60			
(2)	Base unit measure: <input checked="" type="checkbox"/> Hourly <input type="checkbox"/> Weekly <input type="checkbox"/> Unit of production <input type="checkbox"/> Other (specify):			
<b>a</b>	Name of contributing employer			R G SMITH CO., INC.
<b>b</b>	EIN	34-0678463	<b>c</b>	Dollar amount contributed by employer 308,377
<b>d</b>	Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month 05 Day 31 Year 2017			
<b>e</b>	Contribution rate information (If more than one rate applies, check this box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)			
(1)	Contribution rate (in dollars and cents) 5.18			
(2)	Base unit measure: <input checked="" type="checkbox"/> Hourly <input type="checkbox"/> Weekly <input type="checkbox"/> Unit of production <input type="checkbox"/> Other (specify):			
<b>a</b>	Name of contributing employer			METAL MASTERS, INC.
<b>b</b>	EIN	34-1594389	<b>c</b>	Dollar amount contributed by employer 236,295
<b>d</b>	Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month 05 Day 31 Year 2017			
<b>e</b>	Contribution rate information (If more than one rate applies, check this box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)			
(1)	Contribution rate (in dollars and cents) 5.18			
(2)	Base unit measure: <input checked="" type="checkbox"/> Hourly <input type="checkbox"/> Weekly <input type="checkbox"/> Unit of production <input type="checkbox"/> Other (specify):			
<b>a</b>	Name of contributing employer			SHEET METAL CRAFTERS
<b>b</b>	EIN	34-1617710	<b>c</b>	Dollar amount contributed by employer 219,103
<b>d</b>	Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month 05 Day 31 Year 2017			
<b>e</b>	Contribution rate information (If more than one rate applies, check this box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)			
(1)	Contribution rate (in dollars and cents) 5.18			
(2)	Base unit measure: <input checked="" type="checkbox"/> Hourly <input type="checkbox"/> Weekly <input type="checkbox"/> Unit of production <input type="checkbox"/> Other (specify):			
<b>a</b>	Name of contributing employer			OHIO FABRICATORS, INC.
<b>b</b>	EIN	34-1053553	<b>c</b>	Dollar amount contributed by employer 201,712
<b>d</b>	Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month 05 Day 31 Year 2017			
<b>e</b>	Contribution rate information (If more than one rate applies, check this box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)			
(1)	Contribution rate (in dollars and cents) 5.18			
(2)	Base unit measure: <input checked="" type="checkbox"/> Hourly <input type="checkbox"/> Weekly <input type="checkbox"/> Unit of production <input type="checkbox"/> Other (specify):			



<b>14</b>	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:		
	<b>a</b> The current year .....	<b>14a</b>	
	<b>b</b> The plan year immediately preceding the current plan year .....	<b>14b</b>	
	<b>c</b> The second preceding plan year .....	<b>14c</b>	
<b>15</b>	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	<b>a</b> The corresponding number for the plan year immediately preceding the current plan year .....	<b>15a</b>	1.01
	<b>b</b> The corresponding number for the second preceding plan year .....	<b>15b</b>	1.02
<b>16</b>	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	<b>a</b> Enter the number of employers who withdrew during the preceding plan year .....	<b>16a</b>	
	<b>b</b> If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers .....	<b>16b</b>	
<b>17</b>	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. .... <input type="checkbox"/>		

**Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans**

<b>18</b>	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. .... <input type="checkbox"/>
<b>19</b>	If the total number of participants is 1,000 or more, complete lines (a) through (c)
	<b>a</b> Enter the percentage of plan assets held as: Stock: <u>70.0%</u> Investment-Grade Debt: <u>20.0%</u> High-Yield Debt: <u>2.0%</u> Real Estate: <u>0.0%</u> Other: <u>8.0%</u>
	<b>b</b> Provide the average duration of the combined investment-grade and high-yield debt: <input type="checkbox"/> 0-3 years <input checked="" type="checkbox"/> 3-6 years <input type="checkbox"/> 6-9 years <input type="checkbox"/> 9-12 years <input type="checkbox"/> 12-15 years <input type="checkbox"/> 15-18 years <input type="checkbox"/> 18-21 years <input type="checkbox"/> 21 years or more
	<b>c</b> What duration measure was used to calculate line 19(b)? <input checked="" type="checkbox"/> Effective duration <input type="checkbox"/> Macaulay duration <input type="checkbox"/> Modified duration <input type="checkbox"/> Other (specify):

**Part VII IRS Compliance Questions**

<b>20a</b>	Is the plan a 401(k) plan?.....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>20b</b>	If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?.....	<input type="checkbox"/> Design-based safe harbor method	<input type="checkbox"/> ADP/ACP test method
<b>20c</b>	If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>21a</b>	Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b): .....	<input type="checkbox"/> Ratio percentage test	<input type="checkbox"/> Average benefit test
<b>21b</b>	Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>22a</b>	Has the plan been timely amended for all required tax law changes?.....	<input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> N/A
<b>22b</b>	Date the last plan amendment/restatement for the required tax law changes was adopted _____. <input type="checkbox"/> Enter the applicable code _____ (See instructions for tax law changes and codes).		
<b>22c</b>	If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter _____ and the letter's serial number _____.		
<b>22d</b>	If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter _____.		
<b>23</b>	Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No

<b>SCHEDULE MB</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	<b>Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).  <b>File as an attachment to Form 5500 or 5500-SF.</b>	OMB No. 1210-0110  <b>2015</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2015 or fiscal plan year beginning 05/01/2015 and ending 04/30/2016

▶ Round off amounts to nearest dollar.

▶ Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

<b>A</b> Name of plan Sheet Metal Workers Local Pension Plan	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"><b>B</b> Three-digit plan number (PN) ▶</td> <td style="width: 40%; text-align: center;">001</td> </tr> </table>	<b>B</b> Three-digit plan number (PN) ▶	001
<b>B</b> Three-digit plan number (PN) ▶	001		
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Sheet Metal Workers Local Pension Plan	<b>D</b> Employer Identification Number (EIN) 34-6666753		

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

**1a** Enter the valuation date: Month 5 Day 1 Year 2015

**b** Assets

(1) Current value of assets.....	<b>1b(1)</b>	41,508,264
(2) Actuarial value of assets for funding standard account.....	<b>1b(2)</b>	47,518,829

**c** (1) Accrued liability for plan using immediate gain methods .....

<b>1c(1)</b>	83,884,650
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(2) Information for plans using spread gain methods:

(a) Unfunded liability for methods with bases .....	<b>1c(2)(a)</b>	
(b) Accrued liability under entry age normal method.....	<b>1c(2)(b)</b>	
(c) Normal cost under entry age normal method.....	<b>1c(2)(c)</b>	
(3) Accrued liability under unit credit cost method .....	<b>1c(3)</b>	83,884,650

**d** Information on current liabilities of the plan:

(1) Amount excluded from current liability attributable to pre-participation service (see instructions) .....	<b>1d(1)</b>	
<b>(2) "RPA '94" Information:</b>		
(a) Current liability.....	<b>1d(2)(a)</b>	150,371,619
(b) Expected increase in current liability due to benefits accruing during the plan year .....	<b>1d(2)(b)</b>	0
(c) Expected release from "RPA '94" current liability for the plan year.....	<b>1d(2)(c)</b>	5,781,159
(3) Expected plan disbursements for the plan year .....	<b>1d(3)</b>	5,878,572

**Statement by Enrolled Actuary**

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

<div style="border: 1px solid black; padding: 5px; width: 100px; float: left;">SIGN HERE</div> <div style="background-color: black; width: 350px; height: 40px; margin-top: 10px; margin-left: 10px;"></div> <div style="clear: both;"></div> <p style="text-align: center;">Signature of actuary</p> <p>Erika L. Creager, EA, MAAA</p> <p style="text-align: center;">Type or print name of actuary</p> <p>United Actuarial Services, Inc.</p> <p>11590 N. Meridian Street, Suite 610</p> <p>Carmel</p> <p style="text-align: center;">Address of the firm</p>	<p style="text-align: center; font-size: 1.5em;">2/3/2017</p> <p style="text-align: center;">Date</p> <p style="text-align: center;">14-07288</p> <p style="text-align: center;">Most recent enrollment number</p> <p style="text-align: center;">(317) 580-8631</p> <p style="text-align: center;">Telephone number (including area code)</p>
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If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or Form 5500-SF.

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**2** Operational information as of beginning of this plan year:

<b>a</b> Current value of assets (see instructions) .....	<b>2a</b>	41,508,264
<b>b</b> "RPA '94" current liability/participant count breakdown:	<b>(1) Number of participants</b>	<b>(2) Current liability</b>
<b>(1)</b> For retired participants and beneficiaries receiving payment .....	521	69,290,077
<b>(2)</b> For terminated vested participants .....	376	27,691,767
<b>(3)</b> For active participants:		
<b>(a)</b> Non-vested benefits .....		1,820,353
<b>(b)</b> Vested benefits .....		51,569,422
<b>(c)</b> Total active .....	648	53,389,775
<b>(4)</b> Total .....	1,545	150,371,619
<b>c</b> If the percentage resulting from dividing line 2a by line 2b(4), column (2), is less than 70%, enter such percentage .....	<b>2c</b>	27.60 %

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/30/2016	3,815,488				
<b>Totals ▶</b>			<b>3(b)</b>	3,815,488	<b>3(c)</b> 0

**4** Information on plan status:

<b>a</b> Funded percentage for monitoring plan's status (line 1b(2) divided by line 1c(3)) .....	<b>4a</b>	56.6 %
<b>b</b> Enter code to indicate plan's status (see instructions for attachment of supporting evidence of plan's status). If code is "N," go to line 5 .....	<b>4b</b>	C
<b>c</b> Is the plan making the scheduled progress under any applicable funding improvement or rehabilitation plan? .....		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>d</b> If the plan is in critical status or critical and declining status, were any benefits reduced (see instructions)? .....		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>e</b> If line d is "Yes," enter the reduction in liability resulting from the reduction in benefits (see instructions), measured as of the valuation date .....	<b>4e</b>	
<b>f</b> If the rehabilitation plan projects emergence from critical status or critical and declining status, enter the plan year in which it is projected to emerge. If the rehabilitation plan is based on forestalling possible insolvency, enter the plan year in which insolvency is expected and check here <input checked="" type="checkbox"/> .....	<b>4f</b>	2033

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

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

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

**6** Checklist of certain actuarial assumptions:

<b>a</b> Interest rate for "RPA '94" current liability. ....	<b>6a</b>	3.37 %
<b>b</b> Rates specified in insurance or annuity contracts .....	Pre-retirement	Post-retirement
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
<b>c</b> Mortality table code for valuation purposes: .....		

(1) Males .....	<b>6c(1)</b>	11P+1	11P+1
(2) Females .....	<b>6c(2)</b>	11FP+1	11FP+1
<b>d</b> Valuation liability interest rate .....	<b>6d</b>	8.00 %	8.00 %
<b>e</b> Expense loading .....	<b>6e</b>	100.0 % <input type="checkbox"/> N/A	% <input checked="" type="checkbox"/> N/A
<b>f</b> Salary scale .....	<b>6f</b>	% <input checked="" type="checkbox"/> N/A	
<b>g</b> Estimated investment return on actuarial value of assets for year ending on the valuation date .....	<b>6g</b>		1.8 %
<b>h</b> Estimated investment return on current value of assets for year ending on the valuation date .....	<b>6h</b>		7.4 %

**7** New amortization bases established in the current plan year:

(1) Type of base	(2) Initial balance	(3) Amortization Charge/Credit
1	3,199,565	346,115
4	51,343	5,554

**8** Miscellaneous information:

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

**9** Funding standard account statement for this plan year:**Charges to funding standard account:**

<b>a</b> Prior year funding deficiency, if any .....	<b>9a</b>	2,245,624
<b>b</b> Employer's normal cost for plan year as of valuation date .....	<b>9b</b>	259,615
<b>c</b> Amortization charges as of valuation date:		
(1) All bases except funding waivers and certain bases for which the amortization period has been extended .....	<b>9c(1)</b>	59,329,988
(2) Funding waivers .....	<b>9c(2)</b>	0
(3) Certain bases for which the amortization period has been extended .....	<b>9c(3)</b>	0
<b>d</b> Interest as applicable on lines 9a, 9b, and 9c .....	<b>9d</b>	895,311
<b>e</b> Total charges. Add lines 9a through 9d .....	<b>9e</b>	12,086,755
<b>Credits to funding standard account:</b>		
<b>f</b> Prior year credit balance, if any .....	<b>9f</b>	0
<b>g</b> Employer contributions. Total from column (b) of line 3 .....	<b>9g</b>	3,815,488
<b>h</b> Amortization credits as of valuation date .....	<b>9h</b>	25,209,791
<b>i</b> Interest as applicable to end of plan year on lines 9f, 9g, and 9h .....	<b>9i</b>	594,817

<b>j</b> Full funding limitation (FFL) and credits:			
(1) ERISA FFL (accrued liability FFL) .....	<b>9j(1)</b>	16,047,297	
(2) "RPA '94" override (90% current liability FFL) .....	<b>9j(2)</b>	89,589,545	
(3) FFL credit .....	<b>9j(3)</b>		0
<b>k</b> (1) Waived funding deficiency .....	<b>9k(1)</b>		0
(2) Other credits .....	<b>9k(2)</b>		0
<b>l</b> Total credits. Add lines 9f through 9i, 9j(3), 9k(1), and 9k(2) .....	<b>9l</b>		9,937,772
<b>m</b> Credit balance: If line 9l is greater than line 9e, enter the difference .....	<b>9m</b>		
<b>n</b> Funding deficiency: If line 9e is greater than line 9l, enter the difference .....	<b>9n</b>		2,148,983

<b>9o</b> Current year's accumulated reconciliation account:			
(1) Due to waived funding deficiency accumulated prior to the 2015 plan year .....	<b>9o(1)</b>		0
(2) Due to amortization bases extended and amortized using the interest rate under section 6621(b) of the Code:			
(a) Reconciliation outstanding balance as of valuation date .....	<b>9o(2)(a)</b>		0
(b) Reconciliation amount (line 9c(3) balance minus line 9o(2)(a)) .....	<b>9o(2)(b)</b>		0
(3) Total as of valuation date .....	<b>9o(3)</b>		0
<b>10</b> Contribution necessary to avoid an accumulated funding deficiency. (See instructions.) .....	<b>10</b>		2,148,983
<b>11</b> Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions. ....			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

***SHEET METAL WORKERS LOCAL PENSION PLAN***

***EIN: 34-6666753/PN: 001***

***ATTACHMENT TO 2015 SCHEDULE MB: LINE 3***

***STATEMENT BY ENROLLED ACTUARY***

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***Schedule MB, line 3 - Employer Contributions***

The employer contributions shown in line 3 of the Schedule MB were contributed or accrued throughout the plan year for work performed during the plan year.

**SHEET METAL WORKERS LOCAL PENSION PLAN**  
**EIN: 34-6666753/PN: 001**  
**ATTACHMENT TO 2015 SCHEDULE MB: LINE 4**  
**STATEMENT BY ENROLLED ACTUARY**

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

The plan was certified in Critical status as of May 1, 2015. Refer to the attached PPA certification. This result is based on a funded ratio of 56.8%, an existing funding deficiency, and the Plan projected to remain negative at the end of the 2015-16 plan year as shown in the table below:

<i>As of</i>	<i>Credit Balance/ (Funding Deficiency)</i>
4/30/2016	(2,458,000)



July 29, 2015

Board of Trustees  
Sheet Metal Workers Local Pension Fund  
Akron, OH

**Re: 2015 Actuarial Certification Under the Pension Protection Act**

Dear Trustee:

The following information is intended to comply with the annual certification requirements of IRC section 432, with respect to the funded status of the Sheet Metal Workers' Local Pension Fund.

**Identifying Information**

Plan Name: Sheet Metal Workers' Local Pension Fund  
EIN/Plan #: 34-6666753/001  
Plan year of Certification: year beginning May 1, 2015  
Plan Sponsor: Board of Trustees of the Sheet Metal Workers' Local Pension Fund  
Sponsor Address: 700 Tower Drive, Suite 300, Troy, MI 48098  
Sponsor Telephone: (248) 813-9800  
Enrolled Actuary Name: Erika L. Creager  
Enrollment Number: 14-07288  
Actuary Address: 11590 N. Meridian St., Suite 610, Carmel, IN 46032  
Actuary Telephone: (317) 580-8631

**Certification of Plan Status**

I certify that the above-named Plan is in the following status as of May 1, 2015 (all that apply are checked):

Safe--Neither Endangered nor Critical Status	_____
Safe Due to Special Rule	_____
Endangered Status	_____
Seriously Endangered Status	_____
Projected to be in Critical Status within 5 years	_____
Critical Status	<u>    X    </u>
Critical and Declining Status	_____



**United Actuarial Services, Inc.**  
Actuaries and Consultants

Board of Trustees

-2-

July 29, 2015

This certification is based on the following results:

Projected Funded ratio as of May 1, 2015:	56.8%
Previously emerged from critical status using IRC Section 432(e)(4)(B)(2) special emergence rule:	No
First projected deficiency	April 30, 2016
At least 8 year of benefit payments in plan assets:	Yes

**Certification of Scheduled Progress**

I certify that the above-named has made the scheduled progress as outlined in the 2009 rehabilitation plan updated on May 14, 2015 as of May 1, 2015. Projections indicate that the Plan is not projected to emerge from Critical status at the end of the rehabilitation plan period as specified in the updated rehabilitation plan. This rehabilitation plan, however, includes the use of the "exhaustion of all reasonable measures" clause at IRC 432(e)(3)(A)(ii). Therefore, we interpret scheduled progress for this Plan to mean continued use of all reasonable measures to forestall insolvency.

These certifications are intended to be in good faith compliance with the necessary disclosures for certification and represent my best estimate of the Plan's funded position.

**Basis for Result**

The certifications utilize the assumptions, methods, plan provisions and demographic data as disclosed in the May 1, 2014 actuarial valuation report with the following exceptions:

- Based on the April 30, 2015 unaudited financial statements provided by the plan administrator, the asset return for the 2014-15 plan year is assumed to be 7.11%. We also updated the contributions, benefit payments, and expenses for the 2014-15 plan year based on these financial statements.
- No adjustments were made to the contribution rate assumption.
- Based on information provided by the Trustees regarding projection of future industry activity, the following hours were assumed: 950,000 for the plan year beginning in 2015 and for each plan year thereafter. For the 2014-15 plan year, our projections used actual hours of 1,021,976.

**United Actuarial Services, Inc.**  
Actuaries and Consultants

Board of Trustees

-3-

July 29, 2015

I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. We will have a full update of the Plan's funded position with the next valuation report.

Sincerely,



Erika L. Creager, EA, MAAA  
Consulting Actuary  
EA number: 14-07288

Date of Signature: 7/29/2015

cc: Secretary of the Treasury  
Mary Weir, Fund Administrator  
Ed Pasternak, Fund Counsel  
Mike Novara, Fund Counsel  
Paul Catenacci, Fund Counsel  
Mark Crawford, Auditor

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**SHEET METAL WORKERS LOCAL PENSION PLAN**

**EIN: 34-6666753/PN: 001**

**ATTACHMENT TO 2015 SCHEDULE MB: LINE 4C**

**STATEMENT BY ENROLLED ACTUARY**

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***Schedule MB, line 4c - Documentation Regarding Progress Under Funding Improvement or Rehabilitation Plan***

The Plan has made the scheduled progress as outlined in the 2009 rehabilitation plan as updated by the Board on June 22, 2016. This is based on the data, plan provisions, assumptions and methods as described in the attached certification dated July 29, 2016. Projections indicate that the Plan is not projected to emerge from Critical at the end of the rehabilitation plan period on April 30, 2024. This rehabilitation plan, however, includes the use of the "exhaustion of all reasonable measures" clause of IRC 432(e)(3)(A)(ii). Therefore, we interpret scheduled progress for this Plan to mean continued use of all reasonable measures to forestall insolvency. The following projection of credit balance illustrates that there is a projected deficiency during the rehabilitation period.

<b><i>As of</i></b>	<b><i>Credit Balance/ (Funding Deficiency)</i></b>
4/30/2015	(2,246,000)
4/30/2016	(2,178,000)
4/30/2017	(2,618,000)
4/30/2018	(2,827,000)
4/30/2019	(6,082,000)
4/30/2020	(9,190,000)
4/30/2021	(12,016,000)
4/30/2022	(14,751,000)
4/30/2023	(17,516,000)
4/30/2024	(19,711,000)
4/30/2025	(22,529,000)
4/30/2026	(26,239,000)
4/30/2027	(30,114,000)
4/30/2028	(33,289,000)
4/30/2029	(36,628,000)
4/30/2030	(40,122,000)
4/30/2031	(43,516,000)
4/30/2032	(46,614,000)
4/30/2033	(49,630,000)
4/30/2034	(52,257,000)



**United Actuarial  
Services, Inc.**  
Actuaries and Consultants

July 29, 2016

Board of Trustees  
Sheet Metal Workers Local Pension Fund  
Akron, OH

**Re: 2016 Actuarial Certification Under the Pension Protection Act**

Dear Trustees:

The following information is intended to comply with the annual certification requirements of IRC section 432, with respect to the funded status of the Sheet Metal Workers' Local Pension Fund.

**Identifying Information**

Plan Name: Sheet Metal Workers' Local Pension Fund  
EIN/Plan #: 34-6666753/001  
Plan year of Certification: year beginning May 1, 2016  
Plan Sponsor: Board of Trustees of the Sheet Metal Workers' Local Pension Fund  
Sponsor Address: 700 Tower Drive, Suite 300, Troy, MI 48098  
Sponsor Telephone: (248) 813-9800  
Enrolled Actuary Name: Erika L. Creager  
Enrollment Number: 14-07288  
Actuary Address: 11590 N. Meridian St., Suite 610, Carmel, IN 46032  
Actuary Telephone: (317) 580-8631

**Certification of Plan Status**

I certify that the above-named Plan is in the following status as of May 1, 2016 (all that apply are checked):

Safe--Neither Endangered nor Critical Status	_____
Safe Due to Special Rule	_____
Endangered Status	_____
Seriously Endangered Status	_____
Projected to be in Critical Status within 5 years	_____
Critical Status	_____
Critical and Declining Status	<u>    X    </u>

**United Actuarial Services, Inc.**  
Actuaries and Consultants

Board of Trustees

-2-

July 29, 2016

This certification is based on the following results:

Projected Funded ratio as of May 1, 2016:	53.6%
Previously emerged from critical status using IRC Section 432(e)(4)(B)(2) special emergence rule:	No
First projected deficiency	April 30, 2017
At least 8 year of benefit payments in plan assets:	Yes
Plan year of projected insolvency	2033-2034
Ratio of inactive to active participants:	1.384

**Certification of Scheduled Progress**

I certify that the above-named has made the scheduled progress as outlined in the 2009 rehabilitation plan (updated on June 22, 2016) as of May 1, 2016. Projections indicate that the Plan is not projected to emerge from Critical status at the end of the rehabilitation plan period as specified in the updated rehabilitation plan. This rehabilitation plan, however, includes the use of the "exhaustion of all reasonable measures" clause at IRC 432(e)(3)(A)(ii). Therefore, we interpret scheduled progress for this Plan to mean continued use of all reasonable measures to forestall insolvency.

These certifications are intended to be in good faith compliance with the necessary disclosures for certification and represent my best estimate of the Plan's funded position.

**Basis for Result**

The certifications utilize the assumptions, methods, plan provisions and demographic data as disclosed in the May 1, 2015 actuarial valuation report with the following exceptions:

- Based on the April 30, 2016 unaudited financial statements provided by the plan administrator, the asset return for the 2015-16 plan year is assumed to be 0.35%. We also updated the contributions, benefit payments, and expenses for the 2015-16 plan year based on these financial statements.
- No adjustments were made to the contribution rate assumption.
- Based on information provided by the Trustees regarding projection of future industry activity, the following hours were assumed: 950,000 for the plan year beginning in 2016 and for each plan year thereafter. For the 2015-16 plan year, our projections used actual hours of 1,087,575.

**United Actuarial Services, Inc.**  
Actuaries and Consultants

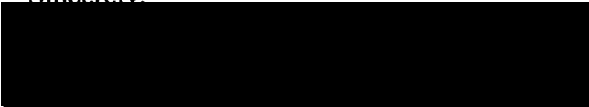
**Board of Trustees**

**-3-**

**July 29, 2016**

I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. We will have a full update of the Plan's funded position with the next valuation report.

Sincerely,



Erika L. Creager, EA, MAAA  
Consulting Actuary  
EA number: 14-07288

Date of Signature: 7/29/2016

cc: Secretary of the Treasury  
Mary Weir, Fund Administrator  
Ed Pasternak, Fund Counsel  
Mike Novara, Fund Counsel  
Paul Catenacci, Fund Counsel  
Mark Crawford, Auditor

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**SHEET METAL WORKERS LOCAL PENSION PLAN**  
**EIN: 34-6666753/PN: 001**  
**ATTACHMENT TO 2015 SCHEDULE MB: LINE 4F**  
**STATEMENT BY ENROLLED ACTUARY**

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***Schedule MB, line 4f – Assumptions Used to Project Plan Year in which Insolvency is Expected***

The assumptions used in the projection are the same as those detailed in the July 29, 2016 certification.

<b>Assumed return on fund assets</b>	0.35% estimated return for the plan year ending 2016 8.00% thereafter
<b>Future total hours worked</b>	1,087,575 for the plan year ending 2016 950,000 thereafter
<b>Contribution rate increases</b>	None
<b>Plan changes</b>	None

***SHEET METAL WORKERS LOCAL PENSION PLAN***

***EIN: 34-6666753/PN: 001***

***ATTACHMENT TO 2015 SCHEDULE MB: LINE 6***

***STATEMENT BY ENROLLED ACTUARY***

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***Schedule MB, line 6 - Summary of Plan Provisions***

Attached is a summary of the plan provisions valued. The plan provisions are the same as those valued in the preceding year.

***Schedule MB, line 6 - Statement of Actuarial Assumptions/Methods***

Attached is a summary of the actuarial assumptions and methods used to perform the most recent valuation.



***PLAN HISTORY***

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***Origins/Purpose***

The Sheet Metal Workers Local #70 Pension Plan was established effective May 18, 1961 as the result of Collective Bargaining Agreements between the Sheet Metal Workers International Association Local #70 and the Akron Sheet Metal and Roofing Contractors Association and other employers coming under the jurisdiction of Local #70. On April 25, 1990 the Trustees approved changing the name of the Plan to Sheet Metal Workers Local Pension Plan.

The Pension Plan is managed under the provisions of the Labor Management Relations Act by a Board of Trustees consisting of an equal number of representatives from Labor and from Management.

The purpose of the Pension Plan is to provide Normal and Early Retirement Benefits, Joint and 50% Survivor Benefits, Optional Retirement Benefits, Total and Permanent Disability Benefits, Vested Benefits and Death Benefits. The benefits first became payable on May 1, 1962.

***Employer Contributions***

The Pension Plan is financed entirely by contributions from the employers as specified in the Collective Bargaining Agreements. Following is a partial listing of hourly pension contribution rates.

<b><i>Participants' Classification</i></b>	<b><i>Effective Date</i></b>	<b><i>Hourly Rate Under Preferred Schedule</i></b>
Building Trades Journeymen		
Akron	June 1, 2012	\$ 5.18
Wheeling	July 1, 2012	\$ 4.60
Building Trades Apprentices		
Akron	June 1, 2012	\$ 0.76
Wheeling	July 1, 2012	\$ 0.30
Residential Workers		
Akron	March 1, 2013	\$ 0.77
Production Workers		
Industrial Workers	June 1, 2012	\$ 0.61

***PLAN HISTORY (CONT.)***

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On January 1, 1981 the Trustees entered into an Immediate Participation Guarantee Contract with Prudential Insurance Company of America. Prior to January 1, 1981 these funds were invested in a Deposit Administration Contract with Prudential, whereby all benefits were fully purchased with the exception of the survivorship portion of Joint and 50% Survivor Benefits and the deferred normal retirement benefit portion of Disability Benefits. On April 1, 1990, the Plan paid Prudential Insurance Company \$6,163,375 to assume the liability for single life payments to those receiving benefits as of March 31, 1990. After that date, the Fund is responsible only for benefit payments made to participants who retire after March 31, 1990, together with those survivorship benefits and deferred disability benefits not purchased and benefit increases granted to retirees or beneficiaries whose benefits were purchased on March 31, 1990.

***Reciprocity***

The fund has entered into reciprocity agreements with other pension funds so that contributions will be transferred to an employee's home fund.

**SUMMARY OF PLAN PROVISIONS**

<b>Plan Year</b>	May 1 through April 30.
<b>Participation</b>	First day of plan year or November 1, if earlier, following completion of 435 hours during a computation period of eligibility.
<b>Year of service</b>	Plan Year with at least 435 hours.
<b>Break in service</b>	Plan Year with less than 435 hours. Not a break in service if ill or in Armed Forces.
<b>Normal retirement benefit</b>	
<i>Eligibility</i>	Age 61 and 5 years of service.
<i>Monthly amount</i>	\$2.00 times years of past service credit (\$3.50 for members not covered by Sheet Metal Workers National Plan), plus 3.65% of employer contributions through April 30, 2003, plus 2.20% of credited employer contributions from May 1, 2003 through April 30, 2006, plus 0.36% of employer contributions from May 1, 2006 through July 31, 2013. Benefit accruals for employer contributions on or after August 1, 2013 are suspended. Payable for life.
<b>Early retirement benefit</b>	
<i>Eligibility</i>	Age 55 and 5 years of service.
<i>Monthly amount</i>	Normal, reduced by an actuarial equivalent factor for each year under age 61 and payable for life. Participants eligible for retirement before August 1, 2009 are reduced 3% for each year under 61 and payable for life.
<b>Total and permanent disability benefit</b>	
<i>Eligibility</i>	10 years of service. Disabled while active. Must be eligible for social security disability benefit. This benefit was eliminated effective September 1, 2013.
<i>Monthly amount</i>	80% of accrued normal. Payable until the earlier of age 55, recovery or death. Early at age 55 or deferred normal at age 61.

### SUMMARY OF PLAN PROVISIONS (CONT.)

<b>Vested benefit</b>	
<i>Eligibility</i>	5 years of service. No longer in covered employment.
<i>Monthly amount</i>	Normal commencing at age 61 or early commencing prior to age 61. Payable for life.
<b>Optional forms of payment</b>	
<i>Joint and 50% survivor benefit</i>	Normal or early, actuarially reduced. Payable for life. Spouse receives 50% for life upon participant's death.
<i>Joint and 50% survivor benefit (with pop-up)</i>	Same as Joint and 50% survivor benefit except if spouse predeceases participant, participant's benefit is increased to the original unreduced normal or early. Effective August 1, 2009, the pop-up feature is no longer subsidized.
<i>Joint and 75% survivor benefit</i>	Normal or early, actuarially reduced. Payable for life. Spouse receives 75% for life upon participant's death.
<i>Joint and 75% survivor benefit (with pop-up)</i>	Same as Joint and 75% survivor benefit except if spouse predeceases participant, participant's benefit is increased to the original unreduced normal or early. Effective August 1, 2009, the pop-up feature is no longer subsidized.
<i>Life-five years certain benefit</i>	Normal or early, actuarially reduced. Payable for life. If participant dies before 60 payments, beneficiary receives remainder of payments. Effective August 1, 2009, this optional form is no longer subsidized.
<i>Life-ten years certain benefit</i>	Normal or early, actuarially reduced. Payable for life. If participant dies before 120 payments, beneficiary receives remainder of payments.
<b>Pre-retirement surviving spouse benefit</b>	
<i>Eligibility</i>	Death of married vested participant
<i>Monthly amount</i>	50% of participant's joint and 50% survivor that would have been payable at age 55 (or age at death, if later) commencing at participant's earliest retirement date.

## ACTUARIAL ASSUMPTIONS

The following assumptions are used throughout this report except as specifically noted herein.

<b>Valuation date</b>	May 1, 2015
<b>Interest rates</b>	
<i>ERISA rate of return used to value liabilities</i>	8.0% per year after investment expenses.
<i>Current liability</i>	3.37% (in accordance with Section 431(c)(6) of the Internal Revenue Code)
<b>Operational expenses</b>	\$270,000
<b>Loading for pop-up feature</b>	Liabilities for retired participants receiving a joint and survivor form of benefit increased 1.4%.
<b>Mortality</b>	
<i>Assumed plan mortality</i>	RP 2000 Combined Healthy Generational Mortality Table using scale AA with blue collar adjustment, set forward 1 year for males and females,
<i>Current liability</i>	Separate annuitant and non-annuitant rates based on the RP-2000 Mortality Tables Report developed for males and females as prescribed by Section 431(c)(6) of the Internal Revenue Code.

**ACTUARIAL ASSUMPTIONS (CONT.)**

**Withdrawal**

Ultimate rates according to T-5 Turnover Table from The Actuary's Pension Handbook (less GAM 51 mortality) adjusted for ages 45 and later to account for the elimination of the disability benefit - specimen rates shown below:

<u>Age</u>	<u>Withdrawal Rate</u>
25	.0764
30	.0711
35	.0613
40	.0493
45	.0389
50	.0241

Select rates are 30% at each age for the first and second year of employment and 15% at each age for the third and fourth year of employment.

**Retirement**

*Active lives*

When eligible and according to annual retirement decrements below:

<u>Age</u>	<u>Retirement Rate</u>
55 - 60	.10
61	.20
62 - 64	.50
65 or older	1.00

Resulting in an average expected retirement age of 60.6

*Inactive vested lives*

Terminated before 5/1/99 - 62 or current age, if older.  
Terminated after 5/1/99 - 60 or current age, if older.

**ACTUARIAL ASSUMPTIONS (CONT.)**

<b>Future hours worked</b>	
<i>Vested lives</i>	1,650 hours per year, 0 after assumed retirement age
<i>Non-vested lives</i>	1,250 hours per year, 0 after assumed retirement age
<b>Future hourly contribution rate</b>	Based on individual's average rate for the most recent plan year.
<b>Age of participants with unrecorded birth dates</b>	Based on average age of participants with recorded birth dates and same vesting status.
<b>Marriage assumptions</b>	100% assumed married with the male spouse 3 years older than his wife.
<b>Inactive vested lives over age 70</b>	Continuing inactive vested participants over age 70 are assumed deceased and are not valued.
<b>QDRO benefits</b>	Benefits to alternate payee included with participant's benefit until payment commences.
<b>Section 415 limit assumptions</b>	
<i>Dollar limit</i>	\$210,000 per year.
<i>Assumed form of payment for those limited by Section 415</i>	Qualified joint and 75% survivor annuity.
<b>Benefits not valued</b>	None

### **RATIONALE FOR SELECTION OF ACTUARIAL ASSUMPTIONS**

The non prescribed actuarial assumptions were selected to provide a reasonable long term estimate of developing experience. The assumptions are reviewed annually, including a comparison to actual experience. The following describes our rationale for the selection of each non-prescribed assumption that has a significant effect on the valuation results.

<b>ERISA rate of return used to value liabilities</b>	<p>Future rates of return were modeled based on the Plan's current investment policy asset allocation and composite, long-term capital market assumptions taken from Horizon Actuarial's 2015 survey of investment consultants.</p> <p>Based on this analysis, we selected a final assumed rate of 8.00%, which we feel is reasonable. This rate may not be appropriate for other purposes such as settlement of liabilities.</p>
<b>Mortality</b>	<p>The RP 2000 fully generational, combined healthy mortality table was chosen as the base table for this population. Projected mortality improvement was determined using Scale AA.</p> <p>Based on the industry of plan participants, the blue collar adjustment was applied.</p> <p>Finally, a 1-year set forward was applied in order to more closely match projected deaths for the coming plan year to extrapolated deaths derived from a study of retiree deaths between May 1, 2006 to April 30, 2011.</p> <p>Mortality is monitored annually and no further adjustments are deemed necessary at this time.</p>
<b>Retirement</b>	<p>Actual rates of retirement by age were last studied for this plan for the period May 1, 2010 to April 30, 2015. The assumed future rates of retirement were selected based on the results of this study.</p>
<b>Withdrawal</b>	<p>Actual rates of withdrawal by age were last studied for this plan for the period May 1, 2010 to April 30, 2015. The assumed future rates of withdrawal were adjusted based on the results of this study.</p>
<b>Future hours worked</b>	<p>Based on review of recent plan experience.</p>



**ACTUARIAL METHODS**

<b>Funding method</b>	
<i>Funding period</i>	Individual entry age normal with costs spread as a level dollar amount over service
<i>ERISA Funding</i>	Traditional unit credit cost method, effective May 1, 2004.
<b>Population valued</b>	
<i>Actives</i>	Eligible employees with at least one hour during the preceding plan year.
<i>Inactive vested</i>	Vested participants with no hours during the preceding plan year.
<i>Retirees</i>	Participants and beneficiaries in pay status as of the valuation date.
<b>Asset valuation method</b>	
<i>Actuarial value</i>	Smoothed market value with phase-in effective May 1, 1999. Each year's gain (or loss) is spread over a period of 5 years. The actuarial value is limited to not less than 80% and not more than 120% of the actual market value of assets in any plan year.
<i>Unfunded vested benefits</i>	For the presumptive method, actuarial value is used. Through April 30, 1999, the actuarial value was equal to the market value.
<b>Pension Relief Act of 2010</b>	<ul style="list-style-type: none"> <li>• 10-year smoothing is assumed to be elected with respect to the loss incurred during the plan year ended in 2009.</li> <li>• 30-year amortization of net investment loss was elected with respect to the loss incurred during the plan year ended in 2009. The loss was allocated to future years using the "prospective method" of IRS. The amount of each allocation is shown in Appendix C.</li> </ul>

**SHEET METAL WORKERS LOCAL PENSION PLAN**  
**EIN: 34-6666753/PN: 001**  
**ATTACHMENT TO 2015 SCHEDULE MB: LINE 8**  
**STATEMENT BY ENROLLED ACTUARY**

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**Schedule MB, line 8b(1) – Schedule of Projection of Expected Benefit Payments**

Below is the projected expected benefit payout from the most recent actuarial valuation. The projections exclude any future accruals.

<b>Plan Year Beginning</b>	<b>Expected Annual Benefit Payments</b>
2015	\$ 5,872,756
2016	6,078,387
2017	6,269,699
2018	6,704,357
2019	7,034,855
2020	7,291,390
2021	7,688,734
2022	8,048,239
2023	8,490,630
2024	8,786,973

**Schedule MB, line 8b(2) - Schedule of Active Participant Data**

Attached is the required Schedule of Active Participant Data from the most recent actuarial valuation.

Schedule MB, Line 8b(2) - Schedule of Active Participant Data  
 Sheet Metal Workers Local Pension Plan EIN: 34-6666753/PN: 001  
 May 1, 2015

Attained age	Years of Service									
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up
Under 25	3	24	3	0	0	0	0	0	0	0
25 to 29	1	31	26	1	0	0	0	0	0	0
30 to 34	2	26	33	17	5	0	0	0	0	0
35 to 39	2	19	20	33	8	0	0	0	0	0
40 to 44	2	14	15	22	22	22	1	0	0	0
45 to 49	2	8	12	16	20	24	24	1	0	0
50 to 54	3	7	9	13	21	10	28	12	4	0
55 to 59	1	5	9	4	11	6	7	9	16	0
60 to 64	0	0	0	3	5	0	3	1	0	0
65 to 69	0	0	0	0	0	0	1	0	0	1
70 & up	0	0	0	0	0	0	0	0	0	0

Display may contain values based on estimated data.

***SHEET METAL WORKERS LOCAL PENSION PLAN***

***EIN: 34-6666753/PN: 001***

***ATTACHMENT TO 2015 SCHEDULE MB: LINE 9***

***STATEMENT BY ENROLLED ACTUARY***

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***Schedule MB, lines 9c and 9h - Schedule of Funding Standard Account Bases***

Attached is a schedule of minimum funding amortization bases maintained pursuant to IRC Section 431.

Sheet Metal Workers Local Pension Plan  
 EIN: 34-6666753/PN: 001  
 Attachment to 2015 Schedule MB: Lines 9c and 9h  
 Schedule of Funding Standard Account Bases

Date Established	Source of Change in Unfunded Liability	Original Amount	Original Period	Remaining Period		5/1/2015 Outstanding Balance	5/1/2015 Amortization Payment
				Years	Months		
<b>Charges</b>							
5/1/1978	Ual		40	3	0	524,930	188,600
5/1/1979	Ben		40	4	0	105,761	29,566
5/1/1987	Ben		30	2	0	344,802	179,024
5/1/1988	Assump		30	3	0	66,241	23,793
5/1/1990	Ben		30	5	0	1,028,593	238,529
5/1/1991	Assump		30	6	0	153,090	30,663
5/1/1992	Assump		30	7	0	350,176	62,278
5/1/1994	Assump	1,055,296	30	9	0	582,256	86,304
5/1/1994	Ben	501,639	30	9	0	276,783	41,025
5/1/1995	Assump	875,897	30	10	0	519,652	71,707
5/1/1996	Assump	4,913,285	30	11	0	3,104,395	402,641
5/1/1997	Assump	1,453,639	30	12	0	970,500	119,240
5/1/1997	Ben	1,059,232	30	12	0	707,182	86,887
5/1/1998	Assump	2,744,734	30	13	0	1,923,673	225,355
5/1/1998	Ben	760,670	30	13	0	533,122	62,455
5/1/1999	Assump	2,253,043	30	14	0	1,648,521	185,150
5/1/1999	Ben	1,075,250	30	14	0	786,759	88,361
5/1/2001	Assump	1,243,344	30	16	0	977,574	102,262
5/1/2001	Loss	2,610,037	15	1	0	282,353	282,353
5/1/2002	Assumptions	313,072	30	17	0	253,675	25,749
5/1/2002	EGGTRA	9,508	30	17	0	7,695	782
5/1/2002	Loss	3,212,158	15	2	0	669,215	347,477
5/1/2003	Assumptions	3,688,763	30	18	0	3,070,831	303,392
5/1/2003	Loss	6,342,515	15	3	0	1,909,615	686,105
5/1/2004	Assumptions	1,639,908	30	19	0	1,398,944	134,879
5/1/2004	Loss	3,996,056	15	4	0	1,546,296	432,275
5/1/2005	Loss	3,004,426	15	5	0	1,401,476	325,005
5/1/2006	Loss	2,421,892	15	6	0	1,308,044	261,989
5/1/2007	Loss	1,049,396	15	7	0	638,297	113,519
5/1/2008	Assumptions	4,727,835	15	8	0	3,174,161	511,436
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5/1/2010	Assumptions	35,984	15	10	0	28,210	3,893
5/1/2010	Relief 09 Asset Loss	336,765	28	23	0	316,046	28,216

Sheet Metal Workers Local Pension Plan  
 EIN: 34-6666753/PN: 001  
 Attachment to 2015 Schedule MB: Lines 9c and 9h  
 Schedule of Funding Standard Account Bases

Date Established	Source of Change in Unfunded Liability	Original Amount	Original Period	Remaining Period		5/1/2015 Outstanding Balance	5/1/2015 Amortization Payment
				Years	Months		
5/1/2011	Assumption	351,608	15	11	0	293,258	38,035
5/1/2011	Relief 09 Asset Loss	577,669	27	23	0	547,868	48,914
5/1/2012	Assumption	102,128	15	12	0	89,915	11,048
5/1/2012	Loss	6,632,881	15	12	0	5,839,832	717,515
5/1/2012	Relief 09 Asset Loss	314,840	26	23	0	302,056	26,968
5/1/2013	Relief 09 Asset Loss	1,545,407	25	23	0	1,501,437	134,048
5/1/2014	Relief 09 Asset Loss	677,001	24	23	0	666,861	59,537
5/1/2015	Assumption	51,343	15	15	0	51,343	5,554
5/1/2015	Loss	3,199,565	15	15	0	3,199,565	346,115
<b>Total Charges:</b>						<b>59,329,988</b>	<b>8,686,205</b>

**Credits**

5/1/2009	Combined Credits	23,103,637	9	3	0	9,531,199	3,424,466
8/1/2009	Amendment	6,640,390	15	9	3	4,951,961	718,328
5/1/2010	Gain	6,396,242	15	10	0	5,014,243	691,917
5/1/2011	Gain	2,945,251	15	11	0	2,456,464	318,604
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5/1/2013	Plan Amendment	199,130	15	13	0	183,876	21,541
5/1/2014	Assumption	5,193	15	14	0	5,001	562
5/1/2014	Gain	1,449,358	15	14	0	1,395,979	156,785
5/1/2014	Plan Amendment	107,530	15	14	0	103,569	11,632
<b>Total Credits:</b>						<b>25,209,791</b>	<b>5,527,467</b>

**Net Charges:** 34,120,197 3,158,738

**Less Credit Balance:** -2,245,624

**Less Reconciliation Balance:** 0

**Unfunded Actuarial Liability:** 36,365,821

**SHEET METAL WORKERS LOCAL PENSION PLAN**  
**EIN: 34-6666753/PN: 001**  
**ATTACHMENT TO 2015 SCHEDULE MB: LINE 10**  
**STATEMENT BY ENROLLED ACTUARY**

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***Schedule MB, line 10- Accumulated Funding Deficiency***

Pursuant to IRC Section 4971(g)(1), the excise tax related to the accumulated funding deficiency that would otherwise be assessed under IRC Section 4971(a) and/or (b) is not assessed because:

- The Plan is in critical status for the plan year ended April 30, 2016.
- The rehabilitation period is May 1, 2011 to April 30, 2024. Since the rehabilitation period has not yet expired, the Plan has not failed to meet the requirements of IRC Section 432(e) by the end of the rehabilitation period.
- The Plan has not received certifications under IRC Section 432(b)(3)(A)(ii) for 3 consecutive plan years that it is not meeting its requirements under the rehabilitation plan.

**SHEET METAL WORKERS LOCAL PENSION PLAN**

**EIN: 34-6666753/PN: 001**

**ATTACHMENT TO 2015 SCHEDULE MB: LINE 11**

**STATEMENT BY ENROLLED ACTUARY**

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

The assumptions and methods differ from those used the preceding year in the following respects:

- The assumed select withdrawal rates were changed from 3 year select rates of 30%, 20% and 10% to 4 year select rates of 30%, 30%, 15% and 15%. This change reflects our best estimate of future withdrawal patterns based on recent plan experience.
- The assumed retirement rates were changed according to the schedule in Appendix B to represent our best estimate of future retirement patterns based on recent plan experience.
- The pop-up load was decreased on liabilities for retirees receiving a joint and survivor form of benefit (who retired between January 1, 1995 and July 31, 2009 with a subsidized pop-up feature) from 1.6% to 1.4%.
- The current liability interest rate was changed from 3.61% to 3.37%. The new rate is within established statutory guidelines.

***Actuary's Statement of Reliance***

In completing this Schedule MB, the enrolled actuary has relied upon the correctness of the financial information presented in the pension fund audit and upon the accuracy and completeness of participant census data provided by the plan administrator.



**SHEET METAL WORKERS LOCAL PENSION PLAN**  
**EIN: 34-6666753/PN: 001**  
**ATTACHMENT TO 2015 SCHEDULE MB: LINE 11**  
**STATEMENT BY ENROLLED ACTUARY**

---

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**SHEET METAL WORKERS LOCAL PENSION PLAN**

**EIN: 34-6666753/PN: 001**

**ATTACHMENT TO 2015 SCHEDULE MB: LINE 4**

**STATEMENT BY ENROLLED ACTUARY**

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

The plan was certified in Critical status as of May 1, 2015. Refer to the attached PPA certification. This result is based on a funded ratio of 56.8%, an existing funding deficiency, and the Plan projected to remain negative at the end of the 2015-16 plan year as shown in the table below:

<b><i>As of</i></b>	<b><i>Credit Balance/ (Funding Deficiency)</i></b>
4/30/2016	(2,458,000)

## ACTUARIAL ASSUMPTIONS

The following assumptions are used throughout this report except as specifically noted herein.

<b>Valuation date</b>	May 1, 2015
<b>Interest rates</b>	
<i>ERISA rate of return used to value liabilities</i>	8.0% per year after investment expenses.
<i>Current liability</i>	3.37% (in accordance with Section 431(c)(6) of the Internal Revenue Code)
<b>Operational expenses</b>	\$270,000
<b>Loading for pop-up feature</b>	Liabilities for retired participants receiving a joint and survivor form of benefit increased 1.4%.
<b>Mortality</b>	
<i>Assumed plan mortality</i>	RP 2000 Combined Healthy Generational Mortality Table using scale AA with blue collar adjustment, set forward 1 year for males and females,
<i>Current liability</i>	Separate annuitant and non-annuitant rates based on the RP-2000 Mortality Tables Report developed for males and females as prescribed by Section 431(c)(6) of the Internal Revenue Code.

**ACTUARIAL ASSUMPTIONS (CONT.)**

**Withdrawal**

Ultimate rates according to T-5 Turnover Table from The Actuary's Pension Handbook (less GAM 51 mortality) adjusted for ages 45 and later to account for the elimination of the disability benefit - specimen rates shown below:

<u>Age</u>	<u>Withdrawal Rate</u>
25	.0764
30	.0711
35	.0613
40	.0493
45	.0389
50	.0241

Select rates are 30% at each age for the first and second year of employment and 15% at each age for the third and fourth year of employment.

**Retirement**

*Active lives*

When eligible and according to annual retirement decrements below:

<u>Age</u>	<u>Retirement Rate</u>
55 - 60	.10
61	.20
62 - 64	.50
65 or older	1.00

Resulting in an average expected retirement age of 60.6

*Inactive vested lives*

Terminated before 5/1/99 - 62 or current age, if older.  
Terminated after 5/1/99 - 60 or current age, if older.

**ACTUARIAL ASSUMPTIONS (CONT.)**

<b>Future hours worked</b>	
<i>Vested lives</i>	1,650 hours per year, 0 after assumed retirement age
<i>Non-vested lives</i>	1,250 hours per year, 0 after assumed retirement age
<b>Future hourly contribution rate</b>	Based on individual's average rate for the most recent plan year.
<b>Age of participants with unrecorded birth dates</b>	Based on average age of participants with recorded birth dates and same vesting status.
<b>Marriage assumptions</b>	100% assumed married with the male spouse 3 years older than his wife.
<b>Inactive vested lives over age 70</b>	Continuing inactive vested participants over age 70 are assumed deceased and are not valued.
<b>QDRO benefits</b>	Benefits to alternate payee included with participant's benefit until payment commences.
<b>Section 415 limit assumptions</b>	
<i>Dollar limit</i>	\$210,000 per year.
<i>Assumed form of payment for those limited by Section 415</i>	Qualified joint and 75% survivor annuity.
<b>Benefits not valued</b>	None

### **RATIONALE FOR SELECTION OF ACTUARIAL ASSUMPTIONS**

The non prescribed actuarial assumptions were selected to provide a reasonable long term estimate of developing experience. The assumptions are reviewed annually, including a comparison to actual experience. The following describes our rationale for the selection of each non-prescribed assumption that has a significant effect on the valuation results.

<b>ERISA rate of return used to value liabilities</b>	<p>Future rates of return were modeled based on the Plan's current investment policy asset allocation and composite, long-term capital market assumptions taken from Horizon Actuarial's 2015 survey of investment consultants.</p> <p>Based on this analysis, we selected a final assumed rate of 8.00%, which we feel is reasonable. This rate may not be appropriate for other purposes such as settlement of liabilities.</p>
<b>Mortality</b>	<p>The RP 2000 fully generational, combined healthy mortality table was chosen as the base table for this population. Projected mortality improvement was determined using Scale AA.</p> <p>Based on the industry of plan participants, the blue collar adjustment was applied.</p> <p>Finally, a 1-year set forward was applied in order to more closely match projected deaths for the coming plan year to extrapolated deaths derived from a study of retiree deaths between May 1, 2006 to April 30, 2011.</p> <p>Mortality is monitored annually and no further adjustments are deemed necessary at this time.</p>
<b>Retirement</b>	<p>Actual rates of retirement by age were last studied for this plan for the period May 1, 2010 to April 30, 2015. The assumed future rates of retirement were selected based on the results of this study.</p>
<b>Withdrawal</b>	<p>Actual rates of withdrawal by age were last studied for this plan for the period May 1, 2010 to April 30, 2015. The assumed future rates of withdrawal were adjusted based on the results of this study.</p>
<b>Future hours worked</b>	<p>Based on review of recent plan experience.</p>

**ACTUARIAL METHODS**

<b>Funding method</b>	
<i>Funding period</i>	Individual entry age normal with costs spread as a level dollar amount over service
<i>ERISA Funding</i>	Traditional unit credit cost method, effective May 1, 2004.
<b>Population valued</b>	
<i>Actives</i>	Eligible employees with at least one hour during the preceding plan year.
<i>Inactive vested</i>	Vested participants with no hours during the preceding plan year.
<i>Retirees</i>	Participants and beneficiaries in pay status as of the valuation date.
<b>Asset valuation method</b>	
<i>Actuarial value</i>	Smoothed market value with phase-in effective May 1, 1999. Each year's gain (or loss) is spread over a period of 5 years. The actuarial value is limited to not less than 80% and not more than 120% of the actual market value of assets in any plan year.
<i>Unfunded vested benefits</i>	For the presumptive method, actuarial value is used. Through April 30, 1999, the actuarial value was equal to the market value.
<b>Pension Relief Act of 2010</b>	<ul style="list-style-type: none"> <li>• 10-year smoothing is assumed to be elected with respect to the loss incurred during the plan year ended in 2009.</li> <li>• 30-year amortization of net investment loss was elected with respect to the loss incurred during the plan year ended in 2009. The loss was allocated to future years using the "prospective method" of IRS. The amount of each allocation is shown in Appendix C.</li> </ul>

**SHEET METAL WORKERS LOCAL PENSION PLAN**

**EIN: 34-6666753/PN: 001**

**ATTACHMENT TO 2015 SCHEDULE MB: LINE 6**

**STATEMENT BY ENROLLED ACTUARY**

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***Schedule MB, line 6 - Summary of Plan Provisions***

Attached is a summary of the plan provisions valued. The plan provisions are the same as those valued in the preceding year.

***Schedule MB, line 6 - Statement of Actuarial Assumptions/Methods***

Attached is a summary of the actuarial assumptions and methods used to perform the most recent valuation.



***PLAN HISTORY***

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***Origins/Purpose***

The Sheet Metal Workers Local #70 Pension Plan was established effective May 18, 1961 as the result of Collective Bargaining Agreements between the Sheet Metal Workers International Association Local #70 and the Akron Sheet Metal and Roofing Contractors Association and other employers coming under the jurisdiction of Local #70. On April 25, 1990 the Trustees approved changing the name of the Plan to Sheet Metal Workers Local Pension Plan.

The Pension Plan is managed under the provisions of the Labor Management Relations Act by a Board of Trustees consisting of an equal number of representatives from Labor and from Management.

The purpose of the Pension Plan is to provide Normal and Early Retirement Benefits, Joint and 50% Survivor Benefits, Optional Retirement Benefits, Total and Permanent Disability Benefits, Vested Benefits and Death Benefits. The benefits first became payable on May 1, 1962.

***Employer Contributions***

The Pension Plan is financed entirely by contributions from the employers as specified in the Collective Bargaining Agreements. Following is a partial listing of hourly pension contribution rates.

<i>Participants' Classification</i>	<i>Effective Date</i>	<i>Hourly Rate Under Preferred Schedule</i>
Building Trades Journeymen		
Akron	June 1, 2012	\$ 5.18
Wheeling	July 1, 2012	\$ 4.60
Building Trades Apprentices		
Akron	June 1, 2012	\$ 0.76
Wheeling	July 1, 2012	\$ 0.30
Residential Workers		
Akron	March 1, 2013	\$ 0.77
Production Workers		
Industrial Workers	June 1, 2012	\$ 0.61

***PLAN HISTORY (CONT.)***

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On January 1, 1981 the Trustees entered into an Immediate Participation Guarantee Contract with Prudential Insurance Company of America. Prior to January 1, 1981 these funds were invested in a Deposit Administration Contract with Prudential, whereby all benefits were fully purchased with the exception of the survivorship portion of Joint and 50% Survivor Benefits and the deferred normal retirement benefit portion of Disability Benefits. On April 1, 1990, the Plan paid Prudential Insurance Company \$6,163,375 to assume the liability for single life payments to those receiving benefits as of March 31, 1990. After that date, the Fund is responsible only for benefit payments made to participants who retire after March 31, 1990, together with those survivorship benefits and deferred disability benefits not purchased and benefit increases granted to retirees or beneficiaries whose benefits were purchased on March 31, 1990.

***Reciprocity***

The fund has entered into reciprocity agreements with other pension funds so that contributions will be transferred to an employee's home fund.

**SHEET METAL WORKERS LOCAL PENSION PLAN**  
**EIN: 34-6666753/PN: 001**  
**ATTACHMENT TO 2015 SCHEDULE MB: LINE 8**  
**STATEMENT BY ENROLLED ACTUARY**

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**Schedule MB, line 8b(1) – Schedule of Projection of Expected Benefit Payments**

Below is the projected expected benefit payout from the most recent actuarial valuation. The projections exclude any future accruals.

<b>Plan Year Beginning</b>	<b>Expected Annual Benefit Payments</b>
2015	\$ 5,872,756
2016	6,078,387
2017	6,269,699
2018	6,704,357
2019	7,034,855
2020	7,291,390
2021	7,688,734
2022	8,048,239
2023	8,490,630
2024	8,786,973

**Schedule MB, line 8b(2) - Schedule of Active Participant Data**

Attached is the required Schedule of Active Participant Data from the most recent actuarial valuation.

Schedule MB, Line 8b(2) - Schedule of Active Participant Data  
 Sheet Metal Workers Local Pension Plan EIN: 34-6666753/PN: 001  
 May 1, 2015

Attained age	Years of Service									
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up
Under 25	3	24	3	0	0	0	0	0	0	0
25 to 29	1	31	26	1	0	0	0	0	0	0
30 to 34	2	26	33	17	5	0	0	0	0	0
35 to 39	2	19	20	33	8	0	0	0	0	0
40 to 44	2	14	15	22	22	22	1	0	0	0
45 to 49	2	8	12	16	20	24	24	1	0	0
50 to 54	3	7	9	13	21	10	28	12	4	0
55 to 59	1	5	9	4	11	6	7	9	16	0
60 to 64	0	0	0	3	5	0	3	1	0	0
65 to 69	0	0	0	0	0	0	1	0	0	1
70 & up	0	0	0	0	0	0	0	0	0	0

Display may contain values based on estimated data.

***SHEET METAL WORKERS LOCAL PENSION PLAN***

***EIN: 34-6666753/PN: 001***

***ATTACHMENT TO 2015 SCHEDULE MB: LINE 9***

***STATEMENT BY ENROLLED ACTUARY***

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***Schedule MB, lines 9c and 9h - Schedule of Funding Standard Account  
Bases***

Attached is a schedule of minimum funding amortization bases maintained pursuant to IRC Section 431.

Sheet Metal Workers Local Pension Plan  
 EIN: 34-6666753/PN: 001  
 Attachment to 2015 Schedule MB: Lines 9c and 9h  
 Schedule of Funding Standard Account Bases

Date Established	Source of Change in Unfunded Liability	Original Amount	Original Period	Remaining Period		5/1/2015 Outstanding Balance	5/1/2015 Amortization Payment
				Years	Months		
<b>Charges</b>							
5/1/1978	Ual		40	3	0	524,930	188,600
5/1/1979	Ben		40	4	0	105,761	29,566
5/1/1987	Ben		30	2	0	344,802	179,024
5/1/1988	Assump		30	3	0	66,241	23,793
5/1/1990	Ben		30	5	0	1,028,593	238,529
5/1/1991	Assump		30	6	0	153,090	30,663
5/1/1992	Assump		30	7	0	350,176	62,278
5/1/1994	Assump	1,055,296	30	9	0	582,256	86,304
5/1/1994	Ben	501,639	30	9	0	276,783	41,025
5/1/1995	Assump	875,897	30	10	0	519,652	71,707
5/1/1996	Assump	4,913,285	30	11	0	3,104,395	402,641
5/1/1997	Assump	1,453,639	30	12	0	970,500	119,240
5/1/1997	Ben	1,059,232	30	12	0	707,182	86,887
5/1/1998	Assump	2,744,734	30	13	0	1,923,673	225,355
5/1/1998	Ben	760,670	30	13	0	533,122	62,455
5/1/1999	Assump	2,253,043	30	14	0	1,648,521	185,150
5/1/1999	Ben	1,075,250	30	14	0	786,759	88,361
5/1/2001	Assump	1,243,344	30	16	0	977,574	102,262
5/1/2001	Loss	2,610,037	15	1	0	282,353	282,353
5/1/2002	Assumptions	313,072	30	17	0	253,675	25,749
5/1/2002	EGGTRA	9,508	30	17	0	7,695	782
5/1/2002	Loss	3,212,158	15	2	0	669,215	347,477
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Sheet Metal Workers Local Pension Plan  
 EIN: 34-6666753/PN: 001  
 Attachment to 2015 Schedule MB: Lines 9c and 9h  
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<b>Total Charges:</b>						<b>59,329,988</b>	<b>8,686,205</b>

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<b>Total Credits:</b>						<b>25,209,791</b>	<b>5,527,467</b>

**Net Charges: 34,120,197 3,158,738**

**Less Credit Balance: -2,245,624**

**Less Reconciliation Balance: 0**

**Unfunded Actuarial Liability: 36,365,821**

***SHEET METAL WORKERS LOCAL PENSION PLAN***

***EIN: 34-6666753/PN: 001***

***ATTACHMENT TO 2015 SCHEDULE MB: LINE 3***

***STATEMENT BY ENROLLED ACTUARY***

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***Schedule MB, line 3 - Employer Contributions***

The employer contributions shown in line 3 of the Schedule MB were contributed or accrued throughout the plan year for work performed during the plan year.



**SHEET METAL WORKERS LOCAL PENSION PLAN**

**EIN: 34-6666753/PN: 001**

**ATTACHMENT TO 2015 SCHEDULE MB: LINE 4C**

**STATEMENT BY ENROLLED ACTUARY**

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***Schedule MB, line 4c - Documentation Regarding Progress Under Funding Improvement or Rehabilitation Plan***

The Plan has made the scheduled progress as outlined in the 2009 rehabilitation plan as updated by the Board on June 22, 2016. This is based on the data, plan provisions, assumptions and methods as described in the attached certification dated July 29, 2016. Projections indicate that the Plan is not projected to emerge from Critical at the end of the rehabilitation plan period on April 30, 2024. This rehabilitation plan, however, includes the use of the "exhaustion of all reasonable measures" clause of IRC 432(e)(3)(A)(ii). Therefore, we interpret scheduled progress for this Plan to mean continued use of all reasonable measures to forestall insolvency. The following projection of credit balance illustrates that there is a projected deficiency during the rehabilitation period.

<b><i>As of</i></b>	<b><i>Credit Balance/ (Funding Deficiency)</i></b>
4/30/2015	(2,246,000)
4/30/2016	(2,178,000)
4/30/2017	(2,618,000)
4/30/2018	(2,827,000)
4/30/2019	(6,082,000)
4/30/2020	(9,190,000)
4/30/2021	(12,016,000)
4/30/2022	(14,751,000)
4/30/2023	(17,516,000)
4/30/2024	(19,711,000)
4/30/2025	(22,529,000)
4/30/2026	(26,239,000)
4/30/2027	(30,114,000)
4/30/2028	(33,289,000)
4/30/2029	(36,628,000)
4/30/2030	(40,122,000)
4/30/2031	(43,516,000)
4/30/2032	(46,614,000)
4/30/2033	(49,630,000)
4/30/2034	(52,257,000)

**SHEET METAL WORKERS LOCAL PENSION PLAN**

**EIN: 34-6666753/PN: 001**

**ATTACHMENT TO 2015 SCHEDULE MB: LINE 4F**

**STATEMENT BY ENROLLED ACTUARY**

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***Schedule MB, line 4f – Assumptions Used to Project Plan Year in which Insolvency is Expected***

The assumptions used in the projection are the same as those detailed in the July 29, 2016 certification.

<b>Assumed return on fund assets</b>	0.35% estimated return for the plan year ending 2016 8.00% thereafter
<b>Future total hours worked</b>	1,087,575 for the plan year ending 2016 950,000 thereafter
<b>Contribution rate increases</b>	None
<b>Plan changes</b>	None

***SHEET METAL WORKERS LOCAL PENSION PLAN***

***EIN: 34-6666753/PN: 001***

***ATTACHMENT TO 2015 SCHEDULE MB: LINE 10***

***STATEMENT BY ENROLLED ACTUARY***

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***Schedule MB, line 10- Accumulated Funding Deficiency***

Pursuant to IRC Section 4971(g)(1), the excise tax related to the accumulated funding deficiency that would otherwise be assessed under IRC Section 4971(a) and/or (b) is not assessed because:

- The Plan is in critical status for the plan year ended April 30, 2016.
- The rehabilitation period is May 1, 2011 to April 30, 2024. Since the rehabilitation period has not yet expired, the Plan has not failed to meet the requirements of IRC Section 432(e) by the end of the rehabilitation period.
- The Plan has not received certifications under IRC Section 432(b)(3)(A)(ii) for 3 consecutive plan years that it is not meeting its requirements under the rehabilitation plan.

## ***SUMMARY OF REHABILITATION PLAN***

### ***Rehabilitation Plan for 2015***

The fund continued to be in Critical status in 2015. The rehabilitation plan established in 2009 was amended June 22, 2016. Results are reviewed annually with the completion of the actuarial valuation report. The rehabilitation period is from May 1, 2011 through April 30, 2024. The preferred schedule in effect as of April 30, 2016 is summarized, as follows:

#### **Preferred Schedule**

Benefit Changes effective August 1, 2009	<ul style="list-style-type: none"> <li>• For all benefits: <ul style="list-style-type: none"> <li>○ Change the normal form of benefit payment from a 5-year certain and life annuity to life-only annuity. Amounts payable under optional payment forms will be actuarially adjusted to reflect their value relative to a life-only annuity.</li> <li>○ Increase early retirement reduction factors from 3% per year prior to normal retirement age to actuarially equivalent reductions for the number of years prior normal retirement age.</li> <li>○ Eliminate the fully subsidized pop-up feature on joint &amp; survivor payment forms. Participants who wish to elect a pop-up feature as part of a joint &amp; survivor payment form will pay for the feature with an actuarial reduction to their benefit.</li> <li>○ Eliminate the single lump-sum and 60-payment pre-retirement death benefits. The only pre-retirement death benefit offered will be the 50% survivor annuity payable to a surviving spouse of a deceased vested participant (payable beginning when the participant would have reached retirement age).</li> </ul> </li> </ul>
Benefit Changes effective August 1, 2013	Benefit accruals for contributions on or after August 1, 2013 are suspended subject to reinstatement when the Rehabilitation Plan is reviewed by the Trustees in 2014.
Benefit Changes effective Sept. 1, 2013	Temporary Disability Benefits are eliminated for applications received on or after September 1, 2013.
Funding Changes	<p>Cumulative annual contribution rate increases of 10.0% in 2009, 2010, 2011.</p> <p>A 14.0% contribution rate increases of 14.0% in 2012.</p> <p>No future additional contribution rate increases are currently affordable.</p>

On July 1, 2009, the 13 year rehabilitation plan period was elected under WRERA of 2008. Effective May 1, 2010, the trustees elected the 10-year smoothing with respect to the loss incurred during the plan year ended in 2009 and elected an amortization extension (30 years) for the net investment loss that occurred during the plan year ending in 2009 under PRA of 2010.

**SUMMARY OF REHABILITATION PLAN (CONT.)**

***Exhaustion of all Reasonable Measures Under IRC 432(e)(3)(A)(ii)***

The benefit reductions in the above Preferred Schedule include all adjustable benefits other than the benefit credit rate. The present benefit credit rate is .36%. This reduction was made by the Trustees prior to the various effective dates appearing in the Pension Protection Act. The Trustees, based upon the information that presently is before them, are convinced that any further reduction to the benefit credit rate would significantly damage the ability of the Plan to meet its monthly benefit obligations and would accelerate insolvency. The Trustees reasonably have concluded that any further reduction in the benefit credit rate would cause Sheet Metal Workers' Local Union 33 to experience a loss of members and would make it much more difficult for the Union to attract new members. This would result in a decrease in contributions to the Plan and inevitably would cause a net decrease in future funding of the Plan.

In addition, investment losses since May, 2008 have made recovery by the Plan more difficult, to the point of being improbable. This situation was not anticipated by the Trustees when the original Rehabilitation Plan was developed and adopted. Significant contribution increases to the Plan have been made by signatory contractors since May, 2008. This has resulted in significant wage deferments by members of the Union. As indicated above, this undoubtedly will result in a loss of members by the Union and will make it extremely difficult for the Union to attract new members. These significant contribution increases have made it very difficult for signatory contractors to remain competitive in the sheet metal construction market. As with the Union's loss of membership, the Trustees anticipate, legitimately, that employers will seek to avoid their obligations under the Union's collective bargaining agreement, will terminate their operations or will seek bankruptcy protection to discharge their contribution obligations and any withdrawal liability allocations or assessments. This will result in a net decrease in future funding for the Plan. The Trustees will continue to monitor this situation on an annual basis and will make further adjustments to the Rehabilitation Plan as may be required.

The Trustees reasonably believe, based upon the information and projections received from the Plan's actuary, that the above projections meet the criteria for forestalling insolvency.

**SUMMARY OF REHABILITATION PLAN (CONT.)**

***Expected Annual Progress***

The following projection of the credit balance illustrates the expected progress under the rehabilitation plan. As shown below, the Plan is currently not projected to emerge from Critical status at the end of the rehabilitation period on April 30, 2024. The projections also indicate a projected insolvency in the plan year beginning May 1, 2033. These projections are based on the data, plan provisions, assumptions and method as described in the July 29, 2016 PPA certification.

<b><i>As of</i></b>	<b><i>Credit Balance/ (Funding Deficiency)</i></b>
4/30/2015	(2,246,000)
4/30/2016	(2,178,000)
4/30/2017	(2,618,000)
4/30/2018	(2,827,000)
4/30/2019	(6,082,000)
4/30/2020	(9,190,000)
4/30/2021	(12,016,000)
4/30/2022	(14,751,000)
4/30/2023	(17,516,000)
4/30/2024	(19,711,000)

**SHEET METAL WORKERS  
LOCAL PENSION PLAN  
FINANCIAL REPORT  
APRIL 30, 2016 and 2015**

# SHEET METAL WORKERS LOCAL PENSION PLAN

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\*Refers to Section of Form 5500 (Annual Return/Report of Employee Benefit Plan) for the Plan year ended April 30, 2016 which material is incorporated herein by reference.





## Independent Auditors' Report

To the Board of Trustees  
Sheet Metal Workers Local Pension Plan  
Massillon, Ohio

We have audited the accompanying financial statements of Sheet Metal Workers Local Pension Plan (the "Plan"), which comprise the statements of net assets available for benefits as of April 30, 2016 and 2015, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

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

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

### **Auditors' Responsibility**

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

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

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

## **Opinion**

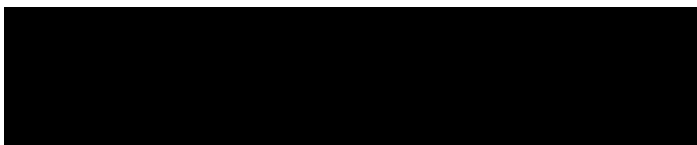
In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding the Plan's net assets available for benefits as of April 30, 2016 and changes therein for the year then ended, and its financial status as of April 30, 2015 and changes therein for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of administrative expenses, assets (held at end of year), and reportable transactions are presented for purposes of additional analysis and are not a required part of the financial statements, but the schedules of assets (held at end of year) and reportable transactions are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

## **Emphasis of Matter in the Audit Report**

As discussed in Note 2 to the financial statements, in 2016, the Plan adopted new guidance relative to certain investment disclosures which was retrospectively applied to the 2015 financial statements. Our opinion is not modified with respect to this matter.



Canton, Ohio  
February 3, 2017

SHEET METAL WORKERS LOCAL PENSION PLAN  
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

April 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
Investments at fair value:		
Private equity and hedge funds	\$ 11,654,317	\$ 9,841,404
Mutual funds	11,971,162	14,696,900
Insurance company separate account	7,072,097	6,311,979
Common stocks	7,687,284	9,105,267
Money market funds	<u>391,567</u>	<u>541,322</u>
Total investments	38,776,427	40,496,872
Receivables:		
Employers' contributions	459,762	431,531
Insurance company experience credit	<u>30,370</u>	<u>43,156</u>
Total receivables	490,132	474,687
Cash	223,300	549,974
Prepaid expenses	<u>333,379</u>	<u>18,107</u>
Total assets	39,823,238	41,539,640
<u>LIABILITIES</u>		
Accounts payable	<u>71,443</u>	<u>31,376</u>
NET ASSETS AVAILABLE FOR BENEFITS	\$ <u><u>39,751,795</u></u>	\$ <u><u>41,508,264</u></u>

The accompanying notes are an integral part of these financial statements.

# SHEET METAL WORKERS LOCAL PENSION PLAN

## STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Years Ended April 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
<u>ADDITIONS AND INVESTMENT ACTIVITY</u>		
Investment activity:		
Net (depreciation) appreciation in fair value of investments	\$ (357,806)	\$ 2,419,846
Dividends and interest	<u>502,687</u>	<u>722,691</u>
	144,881	3,142,537
Less: Investment expenses	<u>(48,697)</u>	<u>(130,371)</u>
	96,184	3,012,166
Employers' contributions	3,860,606	3,741,614
Insurance company experience credit and other income	<u>30,370</u>	<u>64,506</u>
Total additions and investment activity	3,987,160	6,818,286
<u>DEDUCTIONS</u>		
Benefits paid directly to participants	5,265,389	5,219,325
Administrative expenses	433,122	375,253
Reciprocity paid	<u>45,118</u>	<u>45,096</u>
Total deductions	<u>5,743,629</u>	<u>5,639,674</u>
NET (DECREASE) INCREASE	(1,756,469)	1,178,612
NET ASSETS AVAILABLE FOR BENEFITS – BEGINNING OF YEAR	<u>41,508,264</u>	<u>40,329,652</u>
END OF YEAR	\$ <u><u>39,751,795</u></u>	\$ <u><u>41,508,264</u></u>

The accompanying notes are an integral part of these financial statements.

## SHEET METAL WORKERS LOCAL PENSION PLAN

### NOTES TO FINANCIAL STATEMENTS

#### **Note 1. Description of Plan**

The following brief description of the Sheet Metal Workers Local Pension Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for a more comprehensive description of the Plan's provisions.

##### **General:**

The Plan is a multi-employer defined benefit pension plan covering substantially all members within certain districts of Sheet Metal Workers Local No. 33 located in Northern Ohio and West Virginia. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

The Plan is subject to the Pension Protection Act of 2006 (Act), as amended by the Multiemployer Pension Reform Act of 2014. The Act revised minimum funding rules and expanded the reporting and disclosure requirements for multiemployer plans. The Act requires an annual actuarial certification of the Plan's funded status. The Plan's actuary has certified the Plan as being in "critical" status as of May 1, 2015 and 2014. In accordance with the Act, the Plan has adopted a "rehabilitation plan" in an effort to improve its funded status. The rehabilitation plan includes the use of the "exhaustion of all reasonable measures" clause in Section 432 of the Internal Revenue Code. The Plan's actuary has certified that the Plan has made the scheduled progress as outlined in the rehabilitation plan.

Effective August 1, 2013, benefit accruals for contributions on or after August 1, 2013 are suspended.

##### **Pension Benefits:**

Participants with five or more years of service are entitled to annual pension benefits beginning at normal retirement age of 61 equal to the sum of the participants' past service benefit and future service benefit.

The Plan permits early retirement at ages 55-60 for those participants with at least five years of service. The amount of the early retirement is equal to the normal retirement benefit reduced at an actuarial equivalent factor for each year younger than age 61.

The normal and early retirement benefits to which a participant is entitled may be payable in the form of a joint and 50% survivor benefit, a joint and 75% survivor benefit, and/or five or ten year certain life benefit.

SHEET METAL WORKERS LOCAL PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Note 1.      Description of Plan (continued)**

A participant who terminates employment after obtaining five or more years of service shall be 100% vested in his accrued benefit and thus will become eligible for a normal or early retirement benefit at such time as he/she reaches normal or early retirement age.

The benefits of any participant who retires after age 70-1/2 shall only be suspended to the extent his/her monthly pension benefit exceeds the monthly required minimum distribution amount required pursuant to the Internal Revenue Code. In addition, to the extent payment of a pension benefit is commenced after the normal annuity starting date, the Plan shall pay the retroactive monthly payments along with interest in an amount equivalent to the actuarial equivalent interest rate. Such payments shall be made in lump-sum form.

Mandatory or involuntary lump-sum distributions in an amount in excess of \$1,000, but less than \$5,000, shall only be made in the form of an automatic rollover IRA, as provided for by the Plan.

**Death and Disability Benefits:**

A surviving spouse of a deceased participant who elected the 50% or 75% survivor benefit and who would have been eligible to receive or was receiving retirement benefits prior to death will receive 50% or 75% of the retirement benefit for life.

A surviving spouse of a deceased participant who elected to waive the 50% or 75% survivor benefit and elected a five year certain benefit will receive monthly payments equal to the amount received at the time of the participant's death for the remainder of the five year period.

Active participants with at least ten years of service who become totally disabled are eligible to receive monthly disability benefits equal to 80% of the normal retirement benefits they have accumulated as of the time they become disabled.

**Funding Policy:**

Employers in the Akron/Canton/Mansfield area are required under collective bargaining agreements to make monthly contributions to the Plan at \$5.18 and \$0.76 for each hour worked by journeymen and apprentices, respectively. Employers in the Wheeling, West Virginia area contribute \$4.60 per hour for the journeymen and \$0.30 per hour for apprentices. The rate for the Production Shops and Industrial workers is \$0.61 per hour. The

SHEET METAL WORKERS LOCAL PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Note 1. Description of Plan (continued)**

rate for the Residential workers is \$0.77 per hour. The minimum funding testing requirements of the Pension Protection Act were not met for the years ended April 30, 2016 and 2015. As noted above, the Plan's actuary has certified that the Plan has made the scheduled progress as outlined in the rehabilitation plan.

**Note 2. Summary of Significant Accounting Policies**

A summary of the Plan's significant accounting policies consistently applied in the preparation of the accompanying financial statement follows:

**Actuarial Present Value of Accumulated Plan Benefits:**

Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service which participants have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated participants or their beneficiaries, (b) beneficiaries of participants who have died, and (c) present participants or their beneficiaries. Benefits under the Plan are based upon years of service prior to the inception of the Plan and employer contributions made on the participant's behalf subsequent to the inception of the Plan. Benefits payable under all circumstances (retirement, death, disability, and termination) are included, to the extent they are deemed attributable to participant service rendered through July 31, 2013.

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

The assumptions underlying the actuarial computations used in the valuation as of May 1, 2015 are the same as those used in the prior year's valuation, except for revisions as noted below. Some of the more significant actuarial assumptions used are as follows:

Assumed Rate of Return of	
Investments	8.0% per year after investment expenses

SHEET METAL WORKERS LOCAL PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Note 2. Summary of Significant Accounting Policies (continued)**

Normal Retirement Age	55-60: 10% 61-64: 20%-50% retired 65+: 100% retired
Mortality Basis	RP 2000 Combined Healthy Generational Mortality Table using scale AA with blue collar adjustment.
Asset Valuation Method	Smoothed market value – 5 year amortization.
Actuarial Cost Method	Traditional Unit credit
Operational Expenses	\$270,000

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial value of accumulated plan benefits. The computations of the actuarial present value of accumulated plan benefits were made as of May 1, 2015 and 2014. Had the valuations been performed as of April 30, there would be no material differences.

**Valuation of Investments and Income Recognition:**

Fair value is defined as the price that would be received to sell an asset or would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. In accordance with the policy of stating investments at fair value, net appreciation or depreciation for the year, which consists of realized gains and losses and unrealized appreciation and depreciation, is reflected in the statements of changes in net assets available for benefits. Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest is recorded when earned.

**Payment of Benefits:**

Benefit payments to participants are generally recorded upon distribution.



SHEET METAL WORKERS LOCAL PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Note 2. Summary of Significant Accounting Policies (continued)**

**Use of Estimates:**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect certain reported amounts of assets, liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements, and changes therein. Actual results could differ from those estimates.

**Basis of Accounting:**

The accompanying financial statements are prepared on the accrual basis of accounting.

**Subsequent Events:**

The Plan has evaluated subsequent events through February 3, 2017 which is the date the financial statements were available to be issued.

**Change in Accounting Principle:**

New Accounting Pronouncements – In July 2015, the FASB issued ASU No. 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), and Health and Welfare Benefit Plans (Topic 965)*. The Plan elected early adoption of this pronouncement, which changed certain investment disclosure requirements. As such, the Plan is no longer required to (1) disclose individual investments that represent 5% or more of net assets available for benefits; (2) disclose the net appreciation or depreciation for investments by general type; or (3) disaggregate investments by anything other than general type within the fair value hierarchy. These changes have been applied retrospectively to the financial statements.

**Note 3. Investments**

Individual investment management companies manage the Plan's investments. These assets were held by non-insured bank trusts at Morgan Stanley Smith Barney and Comerica Bank. One of the Plan's investment funds, Principal U.S. Property Account, has the ability to delay payment of withdrawal requests until cash becomes available for distributions, as determined by Principal Life Insurance

SHEET METAL WORKERS LOCAL PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Note 3. Investments (continued)**

Company. Another of the Plan's investment funds, Pinehurst Institutional Ltd. Ser B1/1, requires investors to provide 100 day prior written notice to the fund to redeem part of its shares as of the last day of any calendar quarter. Three of the Plan's investments, Blackstone Tactical Opportunities, Goldman Sachs Vintage VI, and McMorgan Infrastructure Fund I, LP, are considered illiquid.

The fair value of private equity and hedge funds include the following at April 30:

	<u>2016</u>	<u>2015</u>
Pinehurst Institutional Ltd.	\$ 6,266,499	\$ 6,624,383
Blackstone Tactical Opportunities	2,241,867	1,863,817
Goldman Sachs Vintage VI	2,017,812	1,243,817
McMorgan Infrastructure Fund I, LP	1,128,139	109,387

Pinehurst Institutional Ltd. may invest in equity and debt securities of U.S. and non U.S. corporations, U.S. government securities, non U.S. government securities, futures contracts, options, options on futures, other derivatives including swaps, forward contracts, currencies and physical commodities, partnership interests, money market instruments, and derivatives on securities.

Blackstone Tactical Opportunities is a private equity fund that may invest in a variety of private equity opportunities.

Goldman Sachs Vintage VI is a private equity fund that may invest both domestically and internationally across all sections of the private equity market.

McMorgan Infrastructure Fund I, LP is a private equity fund that may invest in large-scale global infrastructure assets.

The Plan was obligated at April 30, 2016 to invest additional funds in Blackstone Tactical Opportunities (\$392,370), Goldman Sachs Vintage VI (\$1,155,171), and McMorgan Infrastructure Fund I, LP (\$1,921,330).

SHEET METAL WORKERS LOCAL PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Note 4. Fair Value of Investments**

The Plan estimates the fair value of financial instruments using available market information and other generally accepted valuation methodologies. The inputs used to measure fair value are classified into three levels:

- Level 1 – Quoted market prices in active markets for identical assets and liabilities
- Level 2 – Observable market-based inputs or unobservable inputs that are corroborated by market data
- Level 3 – Unobservable inputs in which little or no market data exists

The following is a description of the valuation methodologies used for assets of the Plan measured at fair value at April 30, 2016 and 2015.

Money market funds:

Valued based on reported Net Asset Value, which is based on market value of underlying investments. These assets are considered Level 2.

Common stocks:

Valued at quoted prices from national securities exchanges for identical assets in active markets. These assets are considered Level 1.

Insurance company separate account:

Certain investments are stated at fair value as determined by annual appraisals. Other investment values are determined by discounting future contractual cash flows to present value using interest rates and anticipated returns a market participant would incur with similar risk and terms. This fund primarily invests in real estate, real estate joint ventures, lines of credit and debt and adjustment to investment commitments. This account is considered Level 3.

Private equity and hedge funds:

Valued based on reported Net Asset Value, which is based on market value of underlying investments. A significant portion of the underlying investments are considered Level 3; therefore, these funds are considered Level 3.

SHEET METAL WORKERS LOCAL PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Note 4. Fair Value of Investments (continued)**

Mutual funds:

Valued at fair value based on quoted market prices, which represents the net asset value of shares held by the Plan at year end. These assets are considered Level 1.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. There have been no changes in methodologies used from 2015 to 2016. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level the Plan's assets at fair value:

<u>As of April 30, 2016</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Investments:</b>				
Money market funds	\$ -	\$ 391,567	\$ -	\$ 391,567
Common stocks	7,687,284			7,687,284
Insurance company separate account - real estate	-	-	7,072,097	7,072,097
Private equity and hedge funds	-	-	11,654,317	11,654,317
Mutual funds	<u>11,971,162</u>	<u>-</u>	<u>-</u>	<u>11,971,162</u>
<b>Total</b>	<b>\$ <u>19,658,446</u></b>	<b>\$ <u>391,567</u></b>	<b>\$ <u>18,726,414</u></b>	<b>\$ <u>38,776,427</u></b>

<u>As of April 30, 2015</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Investments:</b>				
Money market funds	\$ -	\$ 541,322	\$ -	\$ 541,322
Common stocks	9,105,267	-	-	9,105,267
Insurance company separate account - real estate	-	-	6,311,979	6,311,979
Private equity and hedge funds	-	-	9,841,404	9,841,404
Mutual funds	<u>14,696,900</u>	<u>-</u>	<u>-</u>	<u>14,696,900</u>
<b>Total</b>	<b>\$ <u>23,802,167</u></b>	<b>\$ <u>541,322</u></b>	<b>\$ <u>16,153,383</u></b>	<b>\$ <u>40,496,872</u></b>

SHEET METAL WORKERS LOCAL PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Note 4. Fair Value of Investments (continued)**

Changes in assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3 inputs) are as follows:

	<u>Private equity and hedge funds</u>	<u>Insurance company separate account- real estate</u>
Balance at April 30, 2014	\$ 7,139,735	\$ 5,558,199
Return of capital	(615,768)	-
Purchases	2,704,515	-
Unrealized gain	<u>612,922</u>	<u>753,780</u>
Balance at April 30, 2015	9,841,404	6,311,979
Return of capital	(532,301)	-
Purchases	2,277,599	-
Unrealized gain	<u>67,615</u>	<u>760,118</u>
Balance at April 30, 2016	\$ <u>11,654,317</u>	\$ <u>7,072,097</u>

The Plan does not use separate quantitative information to value its investment in the hedge fund of funds or the insurance company separate account.

**Note 5. Accumulated Plan Benefits**

The actuarial present values of accumulated plan benefits as of May 1 were as follows:

	<u>2015</u>	<u>2014</u>
Vested benefits:		
Participants currently receiving payments	\$ 45,995,729	\$ 45,785,697
Other participants	<u>36,618,776</u>	<u>35,788,510</u>
Total vested benefits	82,614,505	81,574,207
Nonvested benefits	<u>1,270,145</u>	<u>765,573</u>
Total actuarial present value of accumulated plan benefits	\$ <u>83,884,650</u>	\$ <u>82,339,780</u>

SHEET METAL WORKERS LOCAL PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Note 5. Accumulated Plan Benefits (continued)**

The changes in accumulated plan benefits for the year ended May 1, 2015 were as follows:

Actuarial present value of accumulated plan benefits – beginning of year	\$ 82,339,780
Increase (decrease) during the year attributable to:	
Change in actuarial assumptions	51,343
Benefits accumulated and actuarial experience gain or loss	125,670
Interest due to decrease in discount period	6,587,182
Benefits paid	<u>(5,219,325)</u>
Net increase	<u>1,544,870</u>
Actuarial present value of accumulated plan benefits – end of year	<u>\$ 83,884,650</u>

**Note 6. Insurance Company Experience Credit**

Prudential Financial insures certain group annuity contracts on the Plan's behalf. Under the terms of the contracts, Prudential Financial is responsible for the payment of such benefits. Each June 30<sup>th</sup>, Prudential Financial adjusts the contracts for interest earned, expenses charged and the mortality experienced, and at their discretion, may issue an experience credit to the Plan. Accordingly, experience credits received or receivable for the years ended April 30, 2016 and 2015 are \$30,370 and \$43,156, respectively.

**Note 7. Plan Termination**

In the event the Plan terminates, its net assets generally will not be available on a pro-rata basis to provide a participant benefits and will be allocated as prescribed by ERISA and its related regulations. Whether a particular participant's accumulated plan benefits will be paid depends on the priority of those benefits, the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC), and the PBGC's financial condition at the time. Some benefits may be fully or partially provided for based on the then existing assets and the PBGC guaranty while other benefits may not be provided for at all. Participants should refer to the Plan agreement for detailed information regarding Plan termination.

SHEET METAL WORKERS LOCAL PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Note 8. Tax Status**

The Internal Revenue Service has advised that the Plan is qualified under Section 401(a) of the Internal Revenue Code and, as such, is exempt from federal income tax. The Plan obtained its latest determination letter on December 15, 2015 in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC).

The plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of April 30, 2016, there are no uncertain positions taken or expected to be taken that would require such recognition or disclosure in the financial statements. As of April 30, 2016, the Plan's tax years from 2012 and thereafter remain subject to examination by the Internal Revenue Service, as well as various other taxing authorities.

**Note 9. Risks and Uncertainties**

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

**Note 10. Related Party and Party in Interest Transactions**

The Plan pays certain expenses related to plan operations and investment activity to various service providers. Certain of these transactions are party in interest transactions under ERISA.

SHEET METAL WORKERS LOCAL PENSION PLAN

SCHEDULES OF ADMINISTRATIVE EXPENSES

Years Ended April 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Consulting fees - investments	\$ 99,663	\$ 109,577
Administrative fees - Benesys	96,258	93,457
Administrative fees - other	10,786	12,357
Consulting fees - actuary	40,950	36,700
Conferences	2,359	-
Insurance	59,926	38,677
Legal	75,780	26,040
Auditing and accounting	20,000	20,000
Printing and reproduction	3,321	2,843
Postage	6,093	4,833
Dues	1,105	945
Trust fees	12,095	22,546
Storage expense	2,081	2,122
Miscellaneous expenses	<u>2,705</u>	<u>5,156</u>
Total administrative expenses	\$ <u><u>433,122</u></u>	\$ <u><u>375,253</u></u>