

## **EXHIBIT 8**

**DEMONSTRATION THAT PROPOSED  
SUSPENSION IS REASONABLY  
ESTIMATED TO NOT MATERIALLY  
EXCEED THE LEVEL NECESSARY  
TO AVOID INSOLVENCY**

# **MID-JERSEY TRUCKING INDUSTRY AND LOCAL 701 PENSION FUND**

## **APPLICATION FOR BENEFIT SUSPENSIONS**

*Information Required by Section 4.03 of  
Revenue Procedure 2017-43*

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*June 2018*

# *Actuarial Statement*

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On August 29, 2017, the Plan was certified to be in critical and declining status as defined in §432(b)(6) of the Internal Revenue Code for the plan year beginning June 1, 2017. The Plan is not expected to emerge from critical status.

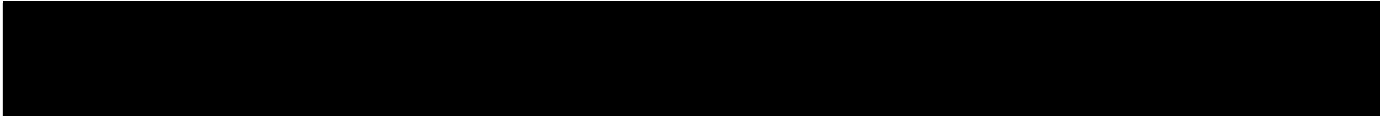
The Trustees are submitting an application to the Treasury to suspend benefits under §432(e)(9). The purpose of this report is to provide information required by Section 4.03 of the Revenue Procedure 2017-43, the demonstration that the proposed suspension is reasonably estimated to not materially exceed the level necessary to avoid insolvency.

This report contains an illustration that if the dollar amount of the proposed suspension for each participant and beneficiary were reduced (but not below zero) by the greater of (1) 5% of the reduction in the periodic payment proposed for that participant or beneficiary, or (2) 2% of the participant's or beneficiary's periodic payment determined without regard to the reduction proposed in the application, the plan will not avoid insolvency.

The full list of actuarial assumptions and methods and the supporting documentation is in the separate report labeled "Appendix B – Information on Actuarial Assumptions and Methods".

The undersigned actuaries of First Actuarial Consulting, Inc. meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report.

In our opinion, all the calculations were performed in accordance with our understanding of generally accepted actuarial principles and practices and, to our knowledge, this report is complete and accurate and complies with the reasonable actuarial assumption rules.

  
Dewey A. Dennis, F.C.A., M.A.A.A.  
Enrolled Actuary No. 17-05712

Nadine Solntseva, F.C.A. M.A.A.A.  
Enrolled Actuary No. 17-07546

## ***Item 1 - Projection of Plan's Available Resources***

<b>Plan Year ending in</b>	<b><u>2018<sup>1</sup></u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>
Assumed Rate of Return	6.71%	6.71%	6.71%	6.71%
Market Value of Assets - beginning of period	233,891,068	231,230,025	217,331,449	210,551,878
Employer Contributions	248,615	1,411,380	1,369,456	1,416,876
Withdrawal Liability to past wdl	0	1,375,142	1,375,142	1,375,142
Payments to future attributable wdl	0	0	0	0
Benefit Payments	(5,362,665)	(30,485,323)	(22,692,504)	(22,351,827)
Administrative Expenses	(133,333)	(760,500)	(721,158)	(731,975)
Net Investment Return	<u>2,586,340</u>	<u>14,560,725</u>	<u>13,889,493</u>	<u>13,447,242</u>
Market Value of Assets - end of Plan Year	231,230,025	217,331,449	210,551,878	203,707,336

<b>Plan Year ending in</b>	<b><u>2022</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2025</u></b>
Assumed Rate of Return	6.71%	6.71%	6.71%	6.71%
Market Value of Assets - beginning of Plan Year	203,707,336	196,759,186	189,775,149	182,754,947
Employer Contributions	1,386,635	1,363,556	1,340,478	1,254,953
Withdrawal Liability to past wdl	1,375,142	1,375,142	1,375,142	1,375,142
Payments to future attributable wdl	0	0	0	0
Benefit Payments	(21,966,491)	(21,515,902)	(21,063,087)	(20,636,829)
Administrative Expenses	(742,954)	(754,099)	(765,410)	(776,891)
Net Investment Return	<u>12,999,518</u>	<u>12,547,266</u>	<u>12,092,675</u>	<u>11,632,666</u>
Market Value of Assets - end of Plan Year	196,759,186	189,775,149	182,754,947	175,603,988

<sup>1</sup> Reflects the period from April 1, 2018 through May 31, 2018.

Other columns reflect the periods from June 1st through May 31st.

**Mid-Jersey Trucking Industry and Local 701 Pension Fund**  
**EIN /PN: 13-6043977 /001**

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## ***Item 1 - Projection of Plan's Available Resources (cont'd)***

<b>Plan Year ending in</b>	<b><u>2026</u></b>	<b><u>2027</u></b>	<b><u>2028</u></b>	<b><u>2029</u></b>
Assumed Rate of Return	6.71%	6.71%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	175,603,988	168,463,977	161,333,204	155,714,672
Employer Contributions	1,260,770	1,260,770	1,251,170	1,228,092
Withdrawal Liability to past wdl	1,375,142	1,375,142	1,375,142	1,375,142
Payments to future attributable wdl	0	0	0	0
Benefit Payments	(20,156,146)	(19,671,837)	(19,259,762)	(18,787,796)
Administrative Expenses	(788,545)	(800,373)	(812,379)	(824,564)
Net Investment Return	<u>11,168,768</u>	<u>10,705,525</u>	<u>11,827,297</u>	<u>11,408,783</u>
Market Value of Assets - end of Plan Year	168,463,977	161,333,204	155,714,672	150,114,329

<b>Plan Year ending in</b>	<b><u>2030</u></b>	<b><u>2031</u></b>	<b><u>2032</u></b>	<b><u>2033</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	150,114,329	144,482,470	138,894,698	133,389,201
Employer Contributions	1,138,949	1,140,778	1,122,787	1,164,778
Withdrawal Liability to past wdl	1,375,142	1,375,142	1,371,076	1,358,876
Payments to future attributable wdl	0	0	0	0
Benefit Payments	(18,298,789)	(17,825,435)	(17,294,533)	(16,854,176)
Administrative Expenses	(836,933)	(849,487)	(862,229)	(875,162)
Net Investment Return	<u>10,989,772</u>	<u>10,571,230</u>	<u>10,157,402</u>	<u>9,748,443</u>
Market Value of Assets - end of Plan Year	144,482,470	138,894,698	133,389,201	127,931,960

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## ***Item 1 - Projection of Plan's Available Resources (cont'd)***

<b>Plan Year ending in</b>	<b><u>2034</u></b>	<b><u>2035</u></b>	<b><u>2036</u></b>	<b><u>2037</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	127,931,960	122,539,234	117,238,762	112,056,947
Employer Contributions	1,162,949	1,156,776	1,156,776	1,171,853
Withdrawal Liability to past wdl	1,358,876	1,358,876	1,358,876	1,358,876
Payments to future attributable wdl	0	0	0	0
Benefit Payments	(16,369,952)	(15,859,297)	(15,336,080)	(14,812,329)
Administrative Expenses	(888,290)	(901,614)	(915,138)	(928,866)
Net Investment Return	<u>9,343,691</u>	<u>8,944,787</u>	<u>8,553,751</u>	<u>8,172,508</u>
Market Value of Assets - end of Plan Year	122,539,234	117,238,762	112,056,947	107,018,989

<b>Plan Year ending in</b>	<b><u>2038</u></b>	<b><u>2039</u></b>	<b><u>2040</u></b>	<b><u>2041</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	107,018,989	101,054,347	94,799,924	88,583,227
Employer Contributions	1,171,853	1,171,853	1,171,853	1,162,253
Withdrawal Liability to past wdl	339,719	0	0	0
Payments to future attributable wdl	0	0	0	0
Benefit Payments	(14,295,477)	(13,775,572)	(13,258,263)	(12,715,518)
Administrative Expenses	(942,799)	(956,940)	(971,295)	(985,864)
Net Investment Return	<u>7,762,062</u>	<u>7,306,236</u>	<u>6,841,008</u>	<u>6,379,309</u>
Market Value of Assets - end of Plan Year	101,054,347	94,799,924	88,583,227	82,423,407

**Mid-Jersey Trucking Industry and Local 701 Pension Fund**  
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## ***Item 1 - Projection of Plan's Available Resources (cont'd)***

<b>Plan Year ending in</b>	<b><u>2042</u></b>	<b><u>2043</u></b>	<b><u>2044</u></b>	<b><u>2045</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	82,423,407	76,228,692	70,057,022	63,909,823
Employer Contributions	1,162,253	1,162,253	1,162,253	1,162,253
Withdrawal Liability to past wdl	0	0	0	0
Payments to future attributable wdl	0	0	0	0
Benefit Payments	(12,274,746)	(11,775,369)	(11,276,115)	(10,802,780)
Administrative Expenses	(1,000,652)	(1,015,662)	(1,030,897)	(1,046,360)
Net Investment Return	<u>5,918,430</u>	<u>5,457,108</u>	<u>4,997,560</u>	<u>4,538,894</u>
Market Value of Assets - end of Plan Year	76,228,692	70,057,022	63,909,823	57,761,830

<b>Plan Year ending in</b>	<b><u>2046</u></b>	<b><u>2047</u></b>	<b><u>2048</u></b>	<b><u>2049</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	57,761,830	51,609,190	45,441,788	39,244,948
Employer Contributions	1,162,253	1,162,253	1,162,253	1,160,424
Withdrawal Liability to past wdl	0	0	0	0
Payments to future attributable wdl	0	0	0	0
Benefit Payments	(10,332,863)	(9,872,103)	(9,424,129)	(8,995,568)
Administrative Expenses	(1,062,056)	(1,077,986)	(1,094,156)	(1,110,568)
Net Investment Return	<u>4,080,026</u>	<u>3,620,434</u>	<u>3,159,192</u>	<u>2,694,837</u>
Market Value of Assets - end of Plan Year	51,609,190	45,441,788	39,244,948	32,994,073

**Mid-Jersey Trucking Industry and Local 701 Pension Fund**  
**EIN /PN: 13-6043977 /001**

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## ***Item 1 - Projection of Plan's Available Resources (cont'd)***

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<b>Plan Year ending in</b>	<b><u>2050</u></b>	<b><u>2051</u></b>	<b><u>2052</u></b>	<b><u>2053</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	32,994,073	26,663,052	20,219,988	13,647,012
Employer Contributions	1,160,424	1,160,424	1,160,424	1,160,424
Withdrawal Liability to past wdl Payments to future attributable wdl	0	0	0	0
Benefit Payments	(8,589,694)	(8,208,299)	(7,835,493)	(7,481,503)
Administrative Expenses	(1,127,227)	(1,144,135)	(1,161,297)	(1,178,717)
Net Investment Return	<u>2,225,476</u>	<u>1,748,946</u>	<u>1,263,390</u>	<u>767,026</u>
Market Value of Assets - end of Plan Year	26,663,052	20,219,988	13,647,012	6,914,242

<b>Plan Year ending in</b>	<b><u>2054</u></b>
Assumed Rate of Return	7.75%
Market Value of Assets - beginning of Plan Year	6,914,242
Employer Contributions	1,160,424
Withdrawal Liability to past wdl Payments to future attributable wdl	0
Benefit Payments	(7,151,981)
Administrative Expenses	(1,196,398)
Net Investment Return	<u>257,320</u>
Market Value of Assets - end of Plan Year	INSOLVENT

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**Mid-Jersey Trucking Industry and Local 701 Pension Fund**  
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# **EXHIBIT 9**

## **DEMONSTRATION THAT PROPOSED SUSPENSION IS DISTRIBUTED EQUITABLY**

**MID-JERSEY TRUCKING INDUSTRY  
AND LOCAL NO. 701 PENSION FUND  
APPLICATION FOR BENEFIT  
SUSPENSIONS**

***Information Required by Section 4.04 of  
Revenue Procedure 2017-43***

## ***Demonstration that Proposed Benefit Suspension Distributed Equitably***

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The proposed suspension is equitably distributed across the participant and beneficiary population taking into account the statutory factors listed in Treasury Regulation 1.432(e)(9)-1(d)(6)(ii)(B). The proposed suspension provides a different post-suspension formula for Active Participants and Non-Active Participants. Active Participants for this purpose are those: (1) who were not in pay status as of January 1, 2018, (2) who earned at least 1 Pension Credit during the 2017 calendar year, and (3) whose last Contributing Employer had not withdrawn from the Fund as of December 31, 2017. All other participants and beneficiaries are considered Non-Active Participants. Because of the nature of the suspension formula, the same percentage of benefit will not be suspended for each participant or beneficiary.

The proposed benefit suspension for *Active Participants* will be calculated as follows:

- (1) take the difference between (a) the monthly accrued benefit earned through December 31, 2017, and (b) Pension Credits earned through December 31, 2017 times \$17.50, not less than \$0; and
- (2) apply the necessary adjustments for early commencement and payment forms.
- (3) The proposed benefit suspension is subject to the limitations described in Code Sections 432(e)(9)(D)(i), (ii) and (iii).

The proposed benefit suspension for *Non-Active Participants* will be calculated as follows:

- (1) take the difference between (a) the monthly benefit payable at normal retirement age, and (b) Pension Credits earned by the participant times \$12.75, not less than \$0; and
- (2) apply the necessary adjustments for early or delayed commencement, payment forms and vesting percentage.
- (3) The proposed benefit suspension is subject to the limitations described in Code Sections 432(e)(9)(D)(i), (ii) and (iii).

The primary statutory factors the Trustees took into account in designing the proposed benefit suspensions are those listed in Code Section 432(e)(9)(D)(vi)(III), (VII), (IX) and (X) because they have the greatest impact on the Plan liabilities. Consistent with Code Section 432(e)(9)(D)(vi)(X) and Treasury Regulation 1.432(e)(9)-1(d)(6)(ii)(B)(10), the Trustees decided to treat Active Participants more favorably than Non-Active Participants to discourage Active Participants from withdrawing their support for the Plan, which could accelerate employer withdrawals, further damaging the Plan's funding status. Furthermore, the Trustees feel that the Active Participants have

## ***Demonstration that Proposed Benefit Suspension Distributed Equitably (cont'd)***

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borne the heavier burden of trying to fix this Plan's funding issues over the last 10 years when their contributions increased and their future accruals were cut in half.

Code Section 432(e)(9)(D)(vi)(III), (VII) and (IX) were also primary factors the Trustees considered because they felt that the benefit accruals earned in the late 1990s and early 2000s were artificially high due to the need at the time to stay below the maximum tax deductible contribution limit, ensuring the tax deductibility of employers' contributions that they were contractually bound to make. The Trustees felt that raising the benefit accrual rate to \$29.17 per credit in those years (i.e., \$350 per month per year of service) to make the contributions tax-deductible, followed by the investment environment turning negative after the "dot-com" bubble in 2001-2002 and worsened after the 2008 market melt-down were the primary factors to the erosion of the Plan's funding status. The Trustees believe that all participants whose benefits are suspended will still have a substantial pension from this Plan and the suspended benefits at normal retirement will be generally more than four times what they would get under the PBGC maximum guarantee. For example, a Non-Active Participant whose benefit is suspended will still have a normal retirement benefit of approximately \$3,000 per month with 20 years of service and roughly \$4,500 per month with 30 years of service under the Plan.

The Trustees have identified five different groups within each of the Active Participant and Non-Active Participant categories to ensure that the suspensions are equitably allocated among participants in each group. See Treasury Regulations 1.432(e)(9)-1(d)(6)(iv) and (v). Active Participants hired after June 30, 2009, when benefit accrual levels were reduced 50% by the Trustees, will have no benefit suspension. All other Active Participants (Group 10) may experience some benefit suspensions because the Trustees' believe that some benefit levels before July 2009 were too high and, therefore, Active Participants hired before then with those high benefit rates should incur benefit suspensions.

Based on the statutory factors listed in Treasury Regulation 1.432(e)(9)-1(d)(6)(ii)(B), the groups are as follows:

- Group 1: Non-Active Participants with an accrual rate less than \$12.75 per Pension Credit.
- Group 2: Non-Active Participants with dates of termination in 1997 or 1998, with an accrual rate of \$14.58 per Pension Credit.
- Group 3: Non-Active Participants with dates of termination in 1998 or 1999, with an accrual rate of \$22.92 per Pension Credit.
- Group 4: Non-Active Participants with dates of termination in 1999, 2000 or 2001, with an accrual rate of \$29.17 per Pension Credit.

## ***Demonstration that Proposed Benefit Suspension Distributed Equitably (cont'd)***

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- Group 5: Non-Active Participants who are not in groups 1, 2, 3 or 4. Their accrual rate varies for different years of service.
- Group 6: Active Participants of Acetylene Supply Company who were hired after June 2009, whose accrual rate was always \$5.50 per Pension Credit.
- Group 7: Active Participants of Southern Wine Spirits NJ who were hired after June 2009, whose accrual rate was always \$9.38 per Pension Credit.
- Group 8: Active Participants of YRC Worldwide, Inc. who were hired after May 2011, whose accrual rate was always \$2.865 per Pension Credit.
- Group 9: Active Participants of ABF Freight System, Inc., H. M. Royal, Local Union 701, and Mid-Jersey Trucking Industry and Local 701 Welfare Fund who were hired after June 2009, whose accrual rate was always \$11.46 per Pension Credit.
- Group 10: All other Active Participants whose accrual rate varies for different years of service.

## ***Demonstration that the Proposed Benefit Suspension is Distributed Equitably (cont'd)***

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### ***PLAN IN AGGREGATE***

	<u>Count</u>	<u>Average Monthly Benefit Before Suspension</u>	<u>Average Monthly Benefit After Suspension</u>
Participants	1,577	\$1,778.02	\$1,279.23
Beneficiaries	275	\$1,028.91	\$796.17
Alternate Payees <sup>1</sup>	<u>35</u>	\$1,465.78	\$823.75
Total	1,887		

<u>Reduction</u>	<u>Count</u>	<u>Percentage of the Total</u>
No reduction	1,346	71.33%
0.00-10.00%	94	4.98%
10.01-20.00%	69	3.66%
20.01-30.00%	58	3.07%
30.01-40.00%	41	2.17%
40.01-50.00%	71	3.76%
50.01-60.00%	206	10.92%
60.01-70.00%	<u>2</u>	0.11%
	1,887	

### Present Value of the Reduction in Benefits (projected to June 1, 2019<sup>2</sup>)

108,866,867

The interest rate to calculate the reduction in the present value of the benefits before and after suspensions is 6.71% for the years through 2026 and 7.75% for the years after 2026. For the complete list of actuarial assumptions please refer to Appendix B of the Application.

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<sup>1</sup> Includes Alternate Payees with Shared Interest QDROs.

<sup>2</sup> The first valuation date after the Suspensions are in effect.

## ***Demonstration that the Proposed Benefit Suspension is Distributed Equitably (cont'd)***

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### ***GROUP 1***

	<u>Count</u>	<u>Average Monthly Benefit Before Suspension</u>	<u>Average Monthly Benefit After Suspension</u>
Participants	973	\$689.93	\$689.93
Beneficiaries	239	\$496.31	\$496.31
Alternate Payees <sup>1</sup>	<u>10</u>	\$470.22	\$470.22
Total	1,222		

<u>Reduction</u>	<u>Count</u>	<u>Percentage of Group 1</u>
No reduction	1,222	100.00%

Present Value of the Reduction in Benefits (projected to June 1, 2019<sup>2</sup>)

0.00

### ***GROUP 2***

	<u>Count</u>	<u>Average Monthly Benefit Before Suspension</u>	<u>Average Monthly Benefit After Suspension</u>
Participants	23	\$3,199.77	\$2,933.47
Beneficiaries	2	\$2,662.90	\$2,545.35
Alternate Payees <sup>1</sup>	<u>0</u>		
Total	25		

<u>Reduction</u>	<u>Count</u>	<u>Percentage of Group 2</u>
No reduction	2	8.00%
0.00-10.00%	8	32.00%
10.01-20.00%	<u>15</u>	60.00%
	25	

Present Value of the Reduction in Benefits (projected to June 1, 2019<sup>2</sup>)

648,741

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<sup>1</sup> Includes Alternate Payees with Shared Interest QDROs.

<sup>2</sup> The first valuation date after the Suspensions are in effect.

## ***Demonstration that the Proposed Benefit Suspension is Distributed Equitably (cont'd)***

### **GROUP 3**

	<u>Count</u>	<u>Average Monthly Benefit Before Suspension</u>	<u>Average Monthly Benefit After Suspension</u>
Participants	24	\$4,187.66	\$2,769.50
Beneficiaries	4	\$4,412.56	\$2,630.70
Alternate Payees <sup>1</sup>	<u>3</u>	\$1,953.40	\$1,086.65
Total	31		

<u>Reduction</u>	<u>Count</u>	<u>Percentage of Group 3</u>
No reduction	2	6.45%
0.00-10.00%	1	3.23%
10.01-20.00%	0	0.00%
20.01-30.00%	3	9.68%
30.01-40.00%	3	9.68%
40.01-50.00%	<u>22</u>	70.97%
	31	

Present Value of the Reduction in Benefits (projected to June 1, 2019<sup>2</sup>)

5,224,952

### **GROUP 4**

	<u>Count</u>	<u>Average Monthly Benefit Before Suspension</u>	<u>Average Monthly Benefit After Suspension</u>
Participants	15	\$6,748.38	\$3,295.24
Beneficiaries	3	\$9,417.74	\$5,870.30
Alternate Payees <sup>1</sup>	<u>0</u>		
Total	18		

<u>Reduction</u>	<u>Count</u>	<u>Percentage of Group 4</u>
No reduction	0	0.00%
0.00-10.00%	0	0.00%
10.01-20.00%	0	0.00%
20.01-30.00%	2	11.11%
30.01-40.00%	1	5.56%
40.01-50.00%	2	11.11%
50.01-60.00%	<u>13</u>	72.22%
	18	

Present Value of the Reduction in Benefits (projected to June 1, 2019<sup>2</sup>)

7,727,505

<sup>1</sup> Includes Alternate Payees with Shared Interest QDROs.

<sup>2</sup> The first valuation date after the Suspensions are in effect.



## ***Demonstration that the Proposed Benefit Suspension is Distributed Equitably (cont'd)***

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### **GROUP 5**

	<u>Count</u>	<u>Average Monthly Benefit Before Suspension</u>	<u>Average Monthly Benefit After Suspension</u>
Participants	331	\$4,379.62	\$2,415.93
Beneficiaries	26	\$4,340.80	\$2,571.60
Alternate Payees <sup>1</sup>	<u>22</u>	\$1,851.82	\$948.59
Total	379		

<u>Reduction</u>	<u>Count</u>	<u>Percentage of Group 5</u>
No reduction	16	4.22%
0.00-10.00%	21	5.54%
10.01-20.00%	30	7.92%
20.01-30.00%	38	10.03%
30.01-40.00%	32	8.44%
40.01-50.00%	47	12.40%
50.01-60.00%	193	50.92%
60.01-70.00%	<u>2</u>	0.53%
	379	

Present Value of the Reduction in Benefits (projected to June 1, 2019<sup>2</sup>)  
91,243,676

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### **GROUP 6**

	<u>Count</u>	<u>Average Monthly Benefit Before Suspension</u>	<u>Average Monthly Benefit After Suspension</u>
Participants	4	\$340.94	\$340.94
Beneficiaries	0		
Alternate Payees	<u>0</u>		
Total	4		

<u>Reduction</u>	<u>Count</u>	<u>Percentage of Group 6</u>
No reduction	4	100.00%
	4	

Present Value of the Reduction in Benefits (projected to June 1, 2019<sup>2</sup>)  
0.00

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<sup>1</sup> Includes Alternate Payees with Shared Interest QDROs.

<sup>2</sup> The first valuation date after the Suspensions are in effect.

## ***Demonstration that the Proposed Benefit Suspension is Distributed Equitably (cont'd)***

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### **GROUP 7**

	<u>Count</u>	<u>Average Monthly Benefit Before Suspension</u>	<u>Average Monthly Benefit After Suspension</u>
Participants	9	\$301.43	\$301.43
Beneficiaries	0		
Alternate Payees	<u>0</u>		
Total	9		

<u>Reduction</u>	<u>Count</u>	<u>Percentage of Group 7</u>
No reduction	9	100.00%

Present Value of the Reduction in Benefits (projected to June 1, 2019<sup>2</sup>)  
0.00

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### **GROUP 8**

	<u>Count</u>	<u>Average Monthly Benefit Before Suspension</u>	<u>Average Monthly Benefit After Suspension</u>
Participants	30	\$102.28	\$102.28
Beneficiaries	0		
Alternate Payees	<u>0</u>		
Total	30		

<u>Reduction</u>	<u>Count</u>	<u>Percentage of Group 8</u>
No reduction	30	100.00%

Present Value of the Reduction in Benefits (projected to June 1, 2019<sup>2</sup>)  
0.00

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<sup>1</sup> Includes Alternate Payees with Shared Interest QDROs.

<sup>2</sup> The first valuation date after the Suspensions are in effect.

## ***Demonstration that the Proposed Benefit Suspension is Distributed Equitably (cont'd)***

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### ***GROUP 9***

	<u>Count</u>	<u>Average Monthly Benefit Before Suspension</u>	<u>Average Monthly Benefit After Suspension</u>
Participants	8	\$499.94	\$499.94
Beneficiaries	0		
Alternate Payees	<u>0</u>		
Total	8		

<u>Reduction</u>	<u>Count</u>	<u>Percentage of Group 9</u>
No reduction	8	100.00%

Present Value of the Reduction in Benefits (projected to June 1, 2019<sup>2</sup>)

0.00

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### ***GROUP 10***

	<u>Count</u>	<u>Average Monthly Benefit Before Suspension</u>	<u>Average Monthly Benefit After Suspension</u>
Participants	161	\$2,464.33	\$2,187.01
Beneficiaries	0		
Alternate Payees <sup>1</sup>	<u>0</u>		
Total	161		

<u>Reduction</u>	<u>Count</u>	<u>Percentage of Group 10</u>
No reduction	53	32.92%
0.00-10.00%	64	39.75%
10.01-20.00%	24	14.91%
20.01-30.00%	15	9.32%
30.01-40.00%	<u>5</u>	3.11%
	161	

Present Value of the Reduction in Benefits (projected to June 1, 2019<sup>2</sup>)

4,021,993.35

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<sup>1</sup> Includes Alternate Payees with Shared Interest QDROs.

<sup>2</sup> The first valuation date after the Suspensions are in effect.

# EXHIBIT 10

## *List Of Contributing Employers And Employee Organizations*

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### **Contributing Employers**

Acetylene Supply Company  
ABF Freight System, Inc.  
Bunzl New Jersey  
GCP Applied Technologies  
H. M. Royal  
Southern Wine Spirits NJ  
YRC Worldwide, Inc.  
Local Union 701  
Mid-Jersey Trucking Industry and Teamsters Local 701 Welfare Fund and affiliated organizations

### **Employee Organization**

Local No. 701 of the Highway and Local Motor Freight Drivers, Dockmen and Helpers, affiliated with the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America

# **EXHIBIT 11**

## **TEN-YEAR EXPERIENCE FOR CERTAIN CRITICAL ASSUMPTIONS**

## ***Information Required in Sections 5.02 and 6.04 of Revenue Procedure 2017-43***

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### **Ten-year Experience for Certain Critical Assumptions**

Plan Year Ending	Total Contributions	Total Contribution Base Units	Average Contribution Rate	Withdrawal Liability Payments	Rate of Return on Plan Assets
5/31/2008	\$4,278,537	740,312	5.78		-0.74%
5/31/2009	\$4,302,730	690,712	6.23		-18.28%
5/31/2010	\$2,901,868	423,499	6.85		15.18%
5/31/2011	\$2,468,238	344,068	7.17	\$3,894,103	17.36%
5/31/2012	\$2,902,648	460,730	6.30		-3.01%
5/31/2013	\$2,467,483	450,423	5.48		20.23%
5/31/2014	\$2,391,009	434,336	5.50		15.44%
5/31/2015	\$2,742,203	480,192	5.71	\$12,200	5.03%
5/31/2016	\$2,709,220	483,149	5.61	\$16,266	-4.76%
5/31/2017	\$2,568,773	459,063	5.60	\$20,333	13.51%

# EXHIBIT 12

## ***PROPOSED*** **BALLOT FOR RATIFICATION OF THE BENEFIT SUSPENSION PLAN FOR THE MID-JERSEY TRUCKING INDUSTRY AND TEAMSTERS LOCAL 701 PENSION AND ANNUITY FUND**

[DATE]

### PARTICIPANTS AND BENEFICIARIES:

The Board of Trustees for the Mid-Jersey Trucking Industry and Teamsters Local 701 Pension and Annuity Fund (“Fund”) previously sent you a Notice that an Application for Approval of a Suspension Plan was filed with the Secretary of Treasury on June 27, 2018. This Notice detailed the proposed benefit reductions pursuant to the Multiemployer Pension Reform Act of 2014 (MPRA) that would take effect on April 1, 2019 if the Application was approved by the U.S. Department of Treasury. The Notice explained that if the Fund's application was approved by the Department of Treasury, then the Participants and beneficiaries will be asked to vote whether the Proposed Suspension Plan should go into effect. On [DATE], the Secretary of Treasury approved the Fund's Proposed Suspension Plan.

THIS BALLOT IS INTENDED TO ASSIST YOU IN MAKING YOUR DECISION WHETHER TO VOTE FOR OR AGAINST THE PROPOSED BENEFIT SUSPENSION PLAN.

This Ballot includes the following important information:

- DETAILED INFORMATION ON THE PROPOSED SUSPENSION PLAN;
- FACTORS CONSIDERED BY THE TRUSTEES IN PREPARING THIS SUSPENSION PLAN;
- A STATEMENT FROM THE BOARD OF TRUSTEES IN SUPPORT OF THE SUSPENSION PLAN; AND
- IMPORTANT INFORMATION ON WHAT WILL HAPPEN IF THE SUSPENSION PLAN IS REJECTED.

### PROPOSED SUSPENSION PLAN

The application filed on behalf of the Fund set forth the following Proposed Suspension Plan to be effective as of April 1, 2019 and continuing indefinitely thereafter.

## **PROPOSED BALLOT FOR RATIFICATION OF THE BENEFIT SUSPENSION PLAN (Cont'd)**

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The Trustees propose to change the benefit formula for Active Participants and Non-Active Participants affected by the suspension of benefits. Active Participants for this purpose are defined as those: a) who were not receiving a monthly benefit under the Plan as of January 1, 2018, b) who earned at least 1 Pension Credit during the 2017 calendar year, and c) whose last Contributing Employer had not withdrawn from the Fund as of December 31, 2017. All other Participants are considered Non-Active Participants. Please note that the following formula will only take effect if it results in a lower benefit for you (i.e., if your benefit is reduced by the suspension of benefits):

- Active Participants affected by the suspension will have earned a monthly benefit on April 1, 2019 equal to \$17.50 times the number of Pension Credits earned for all service under the Plan through December 31, 2017, plus their current accrual rate times the number of Pension Credits earned after December 31, 2017.
- Non-Active Participants affected by the suspension will have earned a monthly benefit on and after April 1, 2019 equal to \$12.75 times the number of Pensions Credits earned for all service under the Plan times the adjustments for early or late commencement, payment form and vesting percentage.

The Fund actuary has determined that this change in the benefit formula would result in a benefit reduction for approximately 28.8% of the Participants and beneficiaries in the Fund, and no benefit reduction for approximately 71.2% of Participants and beneficiaries. The average monthly benefit reduction would be approximately 36.3% for affected Participants and beneficiaries, with approximately 66% as the largest reduction in monthly benefits.

The Proposed Suspension Plan recognizes that certain groups are exempted by MPRA from these benefit reductions. These groups are as follows:

- All Participants who were awarded a disability pension;
- All Participants and beneficiaries who are at least age 80 as of April 30, 2019; and
- All Participants or beneficiaries who are receiving or would receive a benefit that is less than 110% of the PBGC guarantee in the absence of these changes.

Additionally, the Proposed Suspension Plan would limit the application of these proposed reductions for any Participant, beneficiary or Alternate Payee who is between age 75 and 80 as of April 30, 2019. These Limited Suspension Participants would have their accrued benefit or benefit in pay status recalculated under the change described above. However, the Fund would then determine  $1/60^{\text{th}}$  of the difference between the current benefit and the reduced benefit. This factor would be multiplied by the number of months the Limited Suspension Participant is over age 75 as April 30, 2019 to determine the increase factor. The new benefit under the Proposed Suspension Plan for this Limited Suspension Participant group would be the sum of the reduced benefit plus the increase factor.



## **PROPOSED BALLOT FOR RATIFICATION OF THE BENEFIT SUSPENSION PLAN (Cont'd)**

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### **FACTORS CONSIDERED BY THE TRUSTEES IN MAKING THIS SUSPENSION PLAN**

MPRA requires that any reduction of benefits under a suspension plan be distributed fairly among the various categories or groups of Participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- (1) Age and life expectancy of the Participants in the Plan;
- (2) The length of time the Participants are in pay status;
- (3) The amount of the benefits being provided by the Plan;
- (4) The extent to which the benefits provided contain subsidies;
- (5) The history of benefit increases and reductions;
- (6) Discrepancies between the benefits provided to active and retired Participants; and
- (7) The extent to which the current active Participants are reasonably likely to withdraw support for the Plan that will cause employer withdrawals and increase the risk of additional benefit reductions for all Participants and beneficiaries in this Plan.

### **BOARD OF TRUSTEES' STATEMENT IN SUPPORT OF THE PROPOSED SUSPENSION PLAN**

The Board of Trustees is required to manage and preserve the long-term financial viability of the Fund to protect the retirement security of retirees, beneficiaries, terminated vested Participants and active Participants. As a result, we continually monitor the state of the Fund and where the Fund is headed based on future projections. We regularly meet with our professional advisors, including investment advisors, actuaries and attorneys, to review the Fund's status and discuss possible options to strengthen the Fund and protect your benefits for the future.

This year the Fund was certified by the Fund's Actuary to be in Critical and Declining Status, primarily because of a rapidly declining work force in the long-distance trucking industry. As a result, the Fund's Board of Trustees is allowed to develop a relief plan that includes a reduction in benefits already earned in order to save the Fund's ability to continue paying benefits in the future.

The Board of Trustees considered reasonable measures for emerging from Critical and Declining Status by May 31, 2030, based on projections by the Fund's actuary based on reasonable actuarial assumptions. For instance, the Fund's Actuary determined that, with no changes to the Fund's current plan of benefits, for the Fund to emerge from Critical and Declining Status by May 31, 2030, employer contribution rates would have to be increased by 45% annually for each of the next ten years, ultimately increasing to a rate that is more than 40 times the current contribution rate. By comparison, the Fund's Actuary has determined that, even with a 50% reduction in future benefit accruals for all active Participants and the elimination of all "adjustable benefits," as defined in the Pension Protection Act, employer contribution rates would still have to be increased

## **PROPOSED BALLOT FOR RATIFICATION OF THE BENEFIT SUSPENSION PLAN (Cont'd)**

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by approximately 44% per year for each of the next ten years for the Fund to emerge from Critical and Declining Status by May 31, 2030.

The Board determined that these and any similar measures were not reasonable. Specifically, the Board determined that such measures are unlikely to be agreed upon by the bargaining parties (the Union and employers), and therefore the likely outcome of collective bargaining over these types of alternatives would be negotiated withdrawals from the Fund. In such case, it is possible that the Plan could become insolvent during the Plan Year ending in 2030.

It is important to understand that if the Plan were to become insolvent, the benefits of most, if not all Participants and beneficiaries would be reduced to the Pension Benefit Guaranty Corporation (PBGC) guarantee levels. Thus, if the Proposed Suspension Plan is not approved, larger cuts will be necessary to a much larger percentage of the Fund's Participants. If the benefits are reduced to the PBGC guarantee levels, the benefits would be reduced for approximately 95.7% of the Participants and beneficiaries in the Fund, with no benefit reduction for approximately 4.3% of Participants and beneficiaries only. The average monthly benefit reduction would be approximately 46% for affected Participants and beneficiaries, with approximately 90% as the largest reduction in monthly benefits.

As noted above, the proposed suspension plan will affect only 28.8% of Fund Participants. The majority of Participants, approximately 71.2%, will continue to receive the same monthly benefit they are currently receiving, well into the future.

We are taking action now because, the longer we wait, the larger that benefit reductions will have to be and an increasing number of Participants will be affected. If we wait too long, no suspension plan will be able to save the Fund from running out of money. If that happens, the PBGC will be responsible for funding your pension, and your payments will be reduced significantly more than under our proposed changes. Additionally, in the event the Fund does become insolvent, the PBGC does not follow the same rules with regard to which Participants will have their benefit reduced. The PBGC guaranteed benefit levels will apply regardless of your age or status as a disabled Participant.

We realize that if you are within the groups of Participants or Beneficiaries that will be affected by these changes, that these are big changes and may be expected to impact you and your family. It has come to that point where we have to take drastic steps to preserve this Plan for all Participants. We have tried to create a series of benefit reductions that are equitably distributed between all of the groups of Participants and Beneficiaries in this Fund. However, there are certain groups that by law cannot be impacted, including Participants over age 80 and those who retire on a disability pension. The only reason we are attempting to make these changes to the benefits of the remaining Participants and Beneficiaries is to prevent the Fund from becoming insolvent, and your pension payments from being cut even more at insolvency. Our Proposed Suspension Plan is designed to keep the Fund solvent for the future, and provide you with the greatest amount of retirement income possible.

## **PROPOSED BALLOT FOR RATIFICATION OF THE BENEFIT SUSPENSION PLAN (Cont'd)**

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### **WHAT WOULD HAPPEN IF THE PROPOSED SUSPENSION PLAN IS REJECTED?**

The Board of Trustees, in consultation with the Fund's Actuary, has determined that the Fund will become insolvent in the Plan Year ending May 31, 2030 if the Proposed Suspension Plan is not implemented on April 1, 2019. This means that during the Plan Year beginning June 1, 2029, the Fund will no longer have enough money to make all monthly pension benefit payments when due. This projected insolvency date is based on assumptions that are reasonably expected to occur in the future, but are not guaranteed. For example, if the investment markets are better than expected and the Fund earns more than a 7.28% investment return for several years, the insolvency date may be postponed beyond 2030. The opposite is true if the Fund's investment returns are less than 7.28% in the future.

Insolvency of the Fund will likely result in a monthly benefit lower than benefits paid under the reductions in the Proposed Suspension Plan. If the Fund becomes insolvent, the PBGC will provide the Fund with financial assistance to continue paying a portion of your monthly retirement benefit. By law, this is capped as a maximum guaranteed amount that is significantly less than the current benefit for most Participants in this Fund. For example, a Participant with 20 years of service and a \$7,000 monthly benefit under the Plan, would receive \$715 a month from the PBGC. Additionally, the PBGC does not take into account your age or status as a disabled Participant in making these adjustments to your benefits.

### **THE PENSION FUND IS PROJECTED TO AVOID INSOLVENCY IF THE SUSPENSION PLAN IS IMPLEMENTED**

The Fund's Actuary has certified that the Fund is projected to avoid insolvency at least through the Plan Year ending in 2049 if the benefit reductions under the Proposed Suspension Plan are implemented.

### **SECRETARY OF TREASURY'S APPROVAL OF THE PROPOSED SUSPENSION PLAN**

This Proposed Suspension Plan was reviewed and approved by the Secretary of Treasury, in consultation with the PBGC and the Secretary of Labor.

# **EXHIBIT 13**

## **DEMONSTRATION OF SENSITIVITY OF PROJECTIONS**

**MID-JERSEY TRUCKING INDUSTRY  
AND LOCAL 701 PENSION FUND  
APPLICATION FOR BENEFIT  
SUSPENSIONS**

***Information Required by Section 6.05 of  
Revenue Procedure 2017-43***

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***June 2018***

# *Actuarial Statement*

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On August 29, 2017, the Plan was certified to be in critical and declining status for the plan year beginning June 1, 2017. The plan is not expected to emerge from critical status.

The Trustees are submitting an application to the Treasury to suspend benefits under §432(e)(9). The purpose of this report is to provide information required in Section 6.05 of the Revenue Procedure 2017-43 and to certify that the Plan is projected to avoid insolvency within the meaning of §418E, taking into account the proposed benefit suspension.

Item 1 of this report contains a plan-year-by-plan-year projection of the available resources and solvency ratio if the assumed rates of return, as outlined in the report labeled “Appendix B – Information on Actuarial Assumptions and Methods”, are reduced by 1 percentage point.

Item 2 of this report contains a plan-year-by-plan-year projection of the available resources and solvency ratio if the assumed rates of return, as outlined in the report labeled “Appendix B – Information on Actuarial Assumptions and Methods”, are reduced by 2 percentage points.

Item 3 of this report contains a plan-year-by-plan-year projection of the available resources and solvency ratio if future contribution base units decrease at a rate equal to the average annual rate of decrease that the plan experienced over the ten-year period ending May 31, 2017. The average decrease of the base units over the last ten years was 3.32%.

Item 4 of this report contains a plan-year-by-plan-year projection of the available resources and solvency ratio if future contribution base units decrease at a rate equal to the average annual rate of decrease that the plan experienced over the ten-year period ending May 31, 2017 minus 1 percentage point. This adjusted decrease is 4.32%.

The full list of actuarial assumptions other than the assumptions specified above and the supporting documentation is in the separate report labeled “Appendix B – Information on Actuarial Assumptions and Methods”.

The undersigned actuaries of First Actuarial Consulting, Inc. meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report. All the calculations were performed in accordance with our understanding of generally accepted actuarial principles and practices and this report, to our knowledge, is complete and accurate and complies with the reasonable actuarial assumption rules.

Dewey A. Dennis, F.C.A., M.A.A.A.  
Enrolled Actuary No. 17-05712

Nadine Solntseva, F.C.A. M.A.A.A.  
Enrolled Actuary No. 17-07546

## ***Item 1 – Sensitivity of Projections of Plan’s Solvency Ratio - assumed return -1%***

<b>Plan Year ending in</b>	<b><u>2018<sup>1</sup></u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>
Assumed Rate of Return	5.71%	5.71%	5.71%	5.71%
Market Value of Assets - beginning of period	233,891,068	230,844,580	214,843,974	206,394,232
Employer Contributions	248,615	1,411,380	1,369,456	1,416,876
Withdrawal Liability to past wdl	0	1,375,142	1,375,142	1,375,142
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(5,362,665)	(30,397,838)	(22,165,711)	(21,822,923)
Administrative Expenses	(133,333)	(760,500)	(721,158)	(731,975)
Net Investment Return	<u>2,200,895</u>	<u>12,371,210</u>	<u>11,692,529</u>	<u>11,220,880</u>
Market Value of Assets - end of Plan Year	230,844,580	214,843,974	206,394,232	197,852,232
Solvency Ratio	43.61	7.59	9.69	9.46

<b>Plan Year ending in</b>	<b><u>2022</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2025</u></b>
Assumed Rate of Return	5.71%	5.71%	5.71%	5.71%
Market Value of Assets - beginning of Plan Year	197,852,232	189,177,909	180,435,291	171,622,611
Employer Contributions	1,386,635	1,363,556	1,340,478	1,254,953
Withdrawal Liability to past wdl	1,375,142	1,375,142	1,375,142	1,375,142
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(21,436,144)	(20,986,764)	(20,535,145)	(20,108,804)
Administrative Expenses	(742,954)	(754,099)	(765,410)	(776,891)
Net Investment Return	<u>10,742,998</u>	<u>10,259,547</u>	<u>9,772,255</u>	<u>9,278,454</u>
Market Value of Assets - end of Plan Year	189,177,909	180,435,291	171,622,611	162,645,465
Solvency Ratio	9.23	9.01	8.79	8.53

<sup>1</sup> Reflects the period from April 1, 2018 through May 31, 2018.

Other columns reflect the periods from June 1st through May 31st.

**Mid-Jersey Trucking Industry and Local 701 Pension Fund**  
**EIN /PN: 13-6043977 /001**

## ***Item 1 – Sensitivity of Projections of Plan’s Solvency Ratio - assumed return -1%***

<b>Plan Year ending in</b>	<b><u>2026</u></b>	<b><u>2027</u></b>	<b><u>2028</u></b>	<b><u>2029</u></b>
Assumed Rate of Return	5.71%	5.71%	6.75%	6.75%
Market Value of Assets - beginning of Plan Year	162,645,465	153,641,551	144,606,617	136,871,479
Employer Contributions	1,260,770	1,260,770	1,251,170	1,228,092
Withdrawal Liability to past wdl	1,375,142	1,375,142	1,375,142	1,375,142
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(19,630,625)	(19,149,103)	(18,738,803)	(18,271,312)
Administrative Expenses	(788,545)	(800,373)	(812,379)	(824,564)
Net Investment Return	<u>8,779,344</u>	<u>8,278,630</u>	<u>9,189,732</u>	<u>8,682,198</u>
Market Value of Assets - end of Plan Year	153,641,551	144,606,617	136,871,479	129,061,035
Solvency Ratio	8.29	8.02	7.72	7.49

<b>Plan Year ending in</b>	<b><u>2030</u></b>	<b><u>2031</u></b>	<b><u>2032</u></b>	<b><u>2033</u></b>
Assumed Rate of Return	6.75%	6.75%	6.75%	6.75%
Market Value of Assets - beginning of Plan Year	129,061,035	121,117,028	113,107,970	105,061,511
Employer Contributions	1,138,949	1,140,778	1,122,787	1,164,778
Withdrawal Liability to past wdl	1,375,142	1,375,142	1,371,076	1,358,876
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(17,789,010)	(17,322,498)	(16,800,918)	(16,369,461)
Administrative Expenses	(836,933)	(849,487)	(862,229)	(875,162)
Net Investment Return	<u>8,167,845</u>	<u>7,647,007</u>	<u>7,122,825</u>	<u>6,594,819</u>
Market Value of Assets - end of Plan Year	121,117,028	113,107,970	105,061,511	96,935,361
Solvency Ratio	7.26	6.99	6.73	6.42



## ***Item 1 – Sensitivity of Projections of Plan’s Solvency Ratio - assumed return -1%***

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<b>Plan Year ending in</b>	<b><u>2034</u></b>	<b><u>2035</u></b>	<b><u>2036</u></b>	<b><u>2037</u></b>
Assumed Rate of Return	6.75%	6.75%	6.75%	6.75%
Market Value of Assets - beginning of Plan Year	96,935,361	88,734,848	80,475,644	72,170,979
Employer Contributions	1,162,949	1,156,776	1,156,776	1,171,853
Withdrawal Liability to past wdl	1,358,876	1,358,876	1,358,876	1,358,876
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(15,895,832)	(15,397,647)	(14,888,805)	(14,380,083)
Administrative Expenses	(888,290)	(901,614)	(915,138)	(928,866)
Net Investment Return	<u>6,061,784</u>	<u>5,524,405</u>	<u>4,983,626</u>	<u>4,440,276</u>
Market Value of Assets - end of Plan Year	88,734,848	80,475,644	72,170,979	63,833,035
Solvency Ratio	6.10	5.76	5.41	5.02

<b>Plan Year ending in</b>	<b><u>2038</u></b>	<b><u>2039</u></b>	<b><u>2040</u></b>	<b><u>2041</u></b>
Assumed Rate of Return	6.75%	6.75%	6.75%	6.75%
Market Value of Assets - beginning of Plan Year	63,833,035	54,382,475	44,448,246	34,345,073
Employer Contributions	1,171,853	1,171,853	1,171,853	1,162,253
Withdrawal Liability to past wdl	339,719	0	0	0
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(13,878,848)	(13,375,780)	(12,876,185)	(12,351,916)
Administrative Expenses	(942,799)	(956,940)	(971,295)	(985,864)
Net Investment Return	<u>3,859,515</u>	<u>3,226,638</u>	<u>2,572,454</u>	<u>1,907,368</u>
Market Value of Assets - end of Plan Year	54,382,475	44,448,246	34,345,073	24,076,914
Solvency Ratio	4.60	4.07	3.45	2.78

## ***Item 1 – Sensitivity of Projections of Plan’s Solvency Ratio - assumed return -1%***

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<b>Plan Year ending in</b>	<b><u>2042</u></b>	<b><u>2043</u></b>	<b><u>2044</u></b>
Assumed Rate of Return	6.75%	6.75%	6.75%
Market Value of Assets - beginning of Plan Year	24,076,914	13,537,860	2,769,203
Employer Contributions	1,162,253	1,162,253	1,162,253
Withdrawal Liability to past wdl	0	0	0
Payments attributable to future wdl	0	0	0
Benefit Payments	(11,928,707)	(11,447,643)	(10,967,388)
Administrative Expenses	(1,000,652)	(1,015,662)	(1,030,897)
Net Investment Return	<u>1,228,052</u>	<u>532,395</u>	
Market Value of Assets - end of Plan Year	13,537,860	2,769,203	INSOLVENT
Solvency Ratio	2.02	1.18	

## ***Item 2 – Sensitivity of Projections of Plan’s Solvency Ratio - assumed return -2%***

<b>Plan Year ending in</b>	<b><u>2018<sup>1</sup></u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>
Assumed Rate of Return	4.71%	4.71%	4.71%	4.71%
Market Value of Assets - beginning of period	233,891,068	230,459,134	212,273,787	201,655,261
Employer Contributions	248,615	1,411,380	1,369,456	1,416,876
Withdrawal Liability to past wdl	0	1,375,142	1,375,142	1,375,142
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(5,362,665)	(30,397,838)	(22,165,711)	(21,822,923)
Administrative Expenses	(133,333)	(760,500)	(721,158)	(731,975)
Net Investment Return	<u>1,815,449</u>	<u>10,186,469</u>	<u>9,523,745</u>	<u>9,032,547</u>
Market Value of Assets - end of Plan Year	230,459,134	212,273,787	201,655,261	190,924,928
Solvency Ratio	43.61	7.58	9.58	9.24

<b>Plan Year ending in</b>	<b><u>2022</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2025</u></b>
Assumed Rate of Return	4.71%	4.71%	4.71%	4.71%
Market Value of Assets - beginning of Plan Year	190,924,928	180,042,893	169,073,247	158,013,987
Employer Contributions	1,386,635	1,363,556	1,340,478	1,254,953
Withdrawal Liability to past wdl	1,375,142	1,375,142	1,375,142	1,375,142
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(21,436,144)	(20,986,764)	(20,535,145)	(20,108,804)
Administrative Expenses	(742,954)	(754,099)	(765,410)	(776,891)
Net Investment Return	<u>8,535,286</u>	<u>8,032,519</u>	<u>7,525,675</u>	<u>7,012,539</u>
Market Value of Assets - end of Plan Year	180,042,893	169,073,247	158,013,987	146,770,926
Solvency Ratio	8.91	8.58	8.23	7.86

<sup>1</sup> Reflects the period from April 1, 2018 through May 31, 2018.

Other columns reflect the periods from June 1st through May 31st.

**Mid-Jersey Trucking Industry and Local 701 Pension Fund**  
**EIN /PN: 13-6043977 /001**

## ***Item 2 – Sensitivity of Projections of Plan’s Solvency Ratio - assumed return -2%***

<b>Plan Year ending in</b>	<b><u>2026</u></b>	<b><u>2027</u></b>	<b><u>2028</u></b>	<b><u>2029</u></b>
Assumed Rate of Return	4.71%	4.71%	5.75%	5.75%
Market Value of Assets - beginning of Plan Year	146,770,926	135,481,783	124,141,677	113,868,363
Employer Contributions	1,260,770	1,260,770	1,251,170	1,228,092
Withdrawal Liability to past wdl	1,375,142	1,375,142	1,375,142	1,375,142
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(19,630,625)	(19,149,103)	(18,738,803)	(18,271,312)
Administrative Expenses	(788,545)	(800,373)	(812,379)	(824,564)
Net Investment Return	<u>6,494,115</u>	<u>5,973,458</u>	<u>6,651,556</u>	<u>6,073,267</u>
Market Value of Assets - end of Plan Year	135,481,783	124,141,677	113,868,363	103,448,988
Solvency Ratio	7.48	7.08	6.62	6.23

<b>Plan Year ending in</b>	<b><u>2030</u></b>	<b><u>2031</u></b>	<b><u>2032</u></b>	<b><u>2033</u></b>
Assumed Rate of Return	5.75%	5.75%	5.75%	5.75%
Market Value of Assets - beginning of Plan Year	103,448,988	92,822,237	82,053,339	71,166,005
Employer Contributions	1,138,949	1,140,778	1,122,787	1,164,778
Withdrawal Liability to past wdl	1,375,142	1,375,142	1,371,076	1,358,876
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(17,789,010)	(17,322,498)	(16,800,918)	(16,369,461)
Administrative Expenses	(836,933)	(849,487)	(862,229)	(875,162)
Net Investment Return	<u>5,485,101</u>	<u>4,887,167</u>	<u>4,281,950</u>	<u>3,668,817</u>
Market Value of Assets - end of Plan Year	92,822,237	82,053,339	71,166,005	60,113,853
Solvency Ratio	5.82	5.36	4.88	4.35

## ***Item 2 – Sensitivity of Projections of Plan’s Solvency Ratio - assumed return -2%***

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<b>Plan Year ending in</b>	<b><u>2034</u></b>	<b><u>2035</u></b>	<b><u>2036</u></b>	<b><u>2037</u></b>
Assumed Rate of Return	5.75%	5.75%	5.75%	5.75%
Market Value of Assets - beginning of Plan Year	60,113,853	48,898,062	37,529,813	26,017,448
Employer Contributions	1,162,949	1,156,776	1,156,776	1,171,853
Withdrawal Liability to past wdl	1,358,876	1,358,876	1,358,876	1,358,876
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(15,895,832)	(15,397,647)	(14,888,805)	(14,380,083)
Administrative Expenses	(888,290)	(901,614)	(915,138)	(928,866)
Net Investment Return	<u>3,046,506</u>	<u>2,415,360</u>	<u>1,775,926</u>	<u>1,128,629</u>
Market Value of Assets - end of Plan Year	48,898,062	37,529,813	26,017,448	14,367,857
Solvency Ratio	3.78	3.18	2.52	1.81

<b>Plan Year ending in</b>	<b><u>2038</u></b>	<b><u>2039</u></b>
Assumed Rate of Return	5.75%	5.75%
Market Value of Assets - beginning of Plan Year	14,367,857	1,501,269
Employer Contributions	1,171,853	1,171,853
Withdrawal Liability to past wdl	339,719	0
Payments attributable to future wdl	0	0
Benefit Payments	(13,878,848)	(13,375,780)
Administrative Expenses	(942,799)	(956,940)
Net Investment Return	<u>443,487</u>	
Market Value of Assets - end of Plan Year	1,501,269	INSOLVENT
Solvency Ratio	1.04	

### ***Item 3 – Sensitivity of Projections of Plan’s Solvency Ratio - base units current trend***

<b>Plan Year ending in</b>	<b><u>2018<sup>1</sup></u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>
Assumed Rate of Return	6.71%	6.71%	6.71%	6.71%
Market Value of Assets - beginning of period	233,891,068	231,221,725	217,350,032	211,021,943
Employer Contributions	240,361	1,350,444	1,278,283	1,232,820
Withdrawal Liability to past wdl	0	1,375,142	1,375,142	1,375,142
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(5,362,665)	(30,397,838)	(22,165,711)	(21,822,923)
Administrative Expenses	(133,333)	(760,500)	(721,158)	(731,975)
Net Investment Return	<u>2,586,294</u>	<u>14,561,059</u>	<u>13,905,355</u>	<u>13,490,353</u>
Market Value of Assets - end of Plan Year	231,221,725	217,350,032	211,021,943	204,565,360
Solvency Ratio	43.61	7.61	9.81	9.67

<b>Plan Year ending in</b>	<b><u>2022</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2025</u></b>
Assumed Rate of Return	6.71%	6.71%	6.71%	6.71%
Market Value of Assets - beginning of Plan Year	204,565,360	198,006,534	191,420,153	184,807,850
Employer Contributions	1,177,270	1,138,185	1,100,397	1,063,864
Withdrawal Liability to past wdl	1,375,142	1,375,142	1,375,142	1,375,142
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(21,436,144)	(20,986,764)	(20,535,145)	(20,108,804)
Administrative Expenses	(742,954)	(754,099)	(765,410)	(776,891)
Net Investment Return	<u>13,067,860</u>	<u>12,641,155</u>	<u>12,212,713</u>	<u>11,781,720</u>
Market Value of Assets - end of Plan Year	198,006,534	191,420,153	184,807,850	178,142,881
Solvency Ratio	9.54	9.43	9.32	9.19

<sup>1</sup> Reflects the period from April 1, 2018 through May 31, 2018.

Other columns reflect the periods from June 1st through May 31st.

### ***Item 3 – Sensitivity of Projections of Plan’s Solvency Ratio - base units current trend***

<b>Plan Year ending in</b>	<b><u>2026</u></b>	<b><u>2027</u></b>	<b><u>2028</u></b>	<b><u>2029</u></b>
Assumed Rate of Return	6.71%	6.71%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	178,142,881	171,476,365	164,812,684	159,703,941
Employer Contributions	1,028,544	994,396	961,382	929,464
Withdrawal Liability to past wdl	1,375,142	1,375,142	1,375,142	1,375,142
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(19,630,625)	(19,149,103)	(18,738,803)	(18,271,312)
Administrative Expenses	(788,545)	(800,373)	(812,379)	(824,564)
Net Investment Return	<u>11,348,968</u>	<u>10,916,257</u>	<u>12,105,915</u>	<u>11,726,394</u>
Market Value of Assets - end of Plan Year	171,476,365	164,812,684	159,703,941	154,639,065
Solvency Ratio	9.07	8.95	8.80	8.74

<b>Plan Year ending in</b>	<b><u>2030</u></b>	<b><u>2031</u></b>	<b><u>2032</u></b>	<b><u>2033</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	154,639,065	149,637,750	144,689,392	139,851,907
Employer Contributions	898,606	868,772	839,929	812,043
Withdrawal Liability to past wdl	1,375,142	1,375,142	1,371,076	1,358,876
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(17,789,010)	(17,322,498)	(16,800,918)	(16,369,461)
Administrative Expenses	(836,933)	(849,487)	(862,229)	(875,162)
Net Investment Return	<u>11,350,880</u>	<u>10,979,713</u>	<u>10,614,657</u>	<u>10,254,417</u>
Market Value of Assets - end of Plan Year	149,637,750	144,689,392	139,851,907	135,032,620
Solvency Ratio	8.69	8.64	8.61	8.54

### ***Item 3 – Sensitivity of Projections of Plan's Solvency Ratio - base units current trend***

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<b>Plan Year ending in</b>	<b><u>2034</u></b>	<b><u>2035</u></b>	<b><u>2036</u></b>	<b><u>2037</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	135,032,620	130,290,180	125,656,775	121,152,616
Employer Contributions	785,084	759,019	733,819	709,457
Withdrawal Liability to past wdl	1,358,876	1,358,876	1,358,876	1,358,876
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(15,895,832)	(15,397,647)	(14,888,805)	(14,380,083)
Administrative Expenses	(888,290)	(901,614)	(915,138)	(928,866)
Net Investment Return	<u>9,897,722</u>	<u>9,547,961</u>	<u>9,207,089</u>	<u>8,876,254</u>
Market Value of Assets - end of Plan Year	130,290,180	125,656,775	121,152,616	116,788,254
Solvency Ratio	8.49	8.46	8.44	8.43

<b>Plan Year ending in</b>	<b><u>2038</u></b>	<b><u>2039</u></b>	<b><u>2040</u></b>	<b><u>2041</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	116,788,254	111,508,723	105,951,363	100,444,482
Employer Contributions	685,903	663,131	641,115	619,830
Withdrawal Liability to past wdl	339,719	0	0	0
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(13,878,848)	(13,375,780)	(12,876,185)	(12,351,916)
Administrative Expenses	(942,799)	(956,940)	(971,295)	(985,864)
Net Investment Return	<u>8,516,494</u>	<u>8,112,229</u>	<u>7,699,484</u>	<u>7,291,627</u>
Market Value of Assets - end of Plan Year	111,508,723	105,951,363	100,444,482	95,018,159
Solvency Ratio	8.41	8.34	8.23	8.13



### ***Item 3 – Sensitivity of Projections of Plan’s Solvency Ratio - base units current trend***

<b>Plan Year ending in</b>	<b><u>2042</u></b>	<b><u>2043</u></b>	<b><u>2044</u></b>	<b><u>2045</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	95,018,159	89,574,167	84,171,713	78,813,629
Employer Contributions	599,251	579,356	560,122	541,526
Withdrawal Liability to past wdl	0	0	0	0
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(11,928,707)	(11,447,643)	(10,967,388)	(10,513,213)
Administrative Expenses	(1,000,652)	(1,015,662)	(1,030,897)	(1,046,360)
Net Investment Return	<u>6,886,116</u>	<u>6,481,495</u>	<u>6,080,079</u>	<u>5,681,107</u>
Market Value of Assets - end of Plan Year	89,574,167	84,171,713	78,813,629	73,476,689
Solvency Ratio	7.97	7.82	7.67	7.50

<b>Plan Year ending in</b>	<b><u>2046</u></b>	<b><u>2047</u></b>	<b><u>2048</u></b>	<b><u>2049</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	73,476,689	68,159,541	62,854,859	57,551,041
Employer Contributions	523,547	506,165	489,360	473,114
Withdrawal Liability to past wdl	0	0	0	0
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(10,062,301)	(9,620,281)	(9,190,698)	(8,780,084)
Administrative Expenses	(1,062,056)	(1,077,986)	(1,094,156)	(1,110,568)
Net Investment Return	<u>5,283,662</u>	<u>4,887,420</u>	<u>4,491,676</u>	<u>4,095,276</u>
Market Value of Assets - end of Plan Year	68,159,541	62,854,859	57,551,041	52,228,779
Solvency Ratio	7.30	7.08	6.84	6.55

## ***Item 4 – Sensitivity of Projections of Plan’s Solvency Ratio - base units current trend - 1%***

<b>Plan Year ending in</b>	<b><u>2018<sup>1</sup></u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>
Assumed Rate of Return	6.71%	6.71%	6.71%	6.71%
Market Value of Assets - beginning of period	233,891,068	231,219,225	217,318,640	210,947,872
Employer Contributions	237,875	1,322,652	1,239,027	1,182,600
Withdrawal Liability to past wdl	0	1,375,142	1,375,142	1,375,142
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(5,362,665)	(30,397,838)	(22,165,711)	(21,822,923)
Administrative Expenses	(133,333)	(760,500)	(721,158)	(731,975)
Net Investment Return	<u>2,586,280</u>	<u>14,559,959</u>	<u>13,901,932</u>	<u>13,483,698</u>
Market Value of Assets - end of Plan Year	231,219,225	217,318,640	210,947,872	204,434,414
Solvency Ratio	43.61	7.61	9.80	9.67

<b>Plan Year ending in</b>	<b><u>2022</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2025</u></b>
Assumed Rate of Return	6.71%	6.71%	6.71%	6.71%
Market Value of Assets - beginning of Plan Year	204,434,414	197,805,163	191,134,125	184,422,795
Employer Contributions	1,117,632	1,069,350	1,023,154	978,954
Withdrawal Liability to past wdl	1,375,142	1,375,142	1,375,142	1,375,142
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(21,436,144)	(20,986,764)	(20,535,145)	(20,108,804)
Administrative Expenses	(742,954)	(754,099)	(765,410)	(776,891)
Net Investment Return	<u>13,057,073</u>	<u>12,625,333</u>	<u>12,190,929</u>	<u>11,753,034</u>
Market Value of Assets - end of Plan Year	197,805,163	191,134,125	184,422,795	177,644,230
Solvency Ratio	9.54	9.43	9.31	9.17

<sup>1</sup> Reflects the period from April 1, 2018 through May 31, 2018.

Other columns reflect the periods from June 1st through May 31st.

## ***Item 4 – Sensitivity of Projections of Plan’s Solvency Ratio - base units current trend - 1%***

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<b>Plan Year ending in</b>	<b><u>2026</u></b>	<b><u>2027</u></b>	<b><u>2028</u></b>	<b><u>2029</u></b>
Assumed Rate of Return	6.71%	6.71%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	177,644,230	170,849,291	164,042,042	158,765,650
Employer Contributions	936,663	896,199	857,484	820,440
Withdrawal Liability to past wdl	1,375,142	1,375,142	1,375,142	1,375,142
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(19,630,625)	(19,149,103)	(18,738,803)	(18,271,312)
Administrative Expenses	(788,545)	(800,373)	(812,379)	(824,564)
Net Investment Return	<u>11,312,426</u>	<u>10,870,886</u>	<u>12,042,164</u>	<u>11,649,451</u>
Market Value of Assets - end of Plan Year	170,849,291	164,042,042	158,765,650	153,514,807
Solvency Ratio	9.05	8.92	8.75	8.69

<b>Plan Year ending in</b>	<b><u>2030</u></b>	<b><u>2031</u></b>	<b><u>2032</u></b>	<b><u>2033</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	153,514,807	148,308,351	143,134,717	138,050,755
Employer Contributions	784,997	751,085	718,639	687,593
Withdrawal Liability to past wdl	1,375,142	1,375,142	1,371,076	1,358,876
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(17,789,010)	(17,322,498)	(16,800,918)	(16,369,461)
Administrative Expenses	(836,933)	(849,487)	(862,229)	(875,162)
Net Investment Return	<u>11,259,348</u>	<u>10,872,124</u>	<u>10,489,470</u>	<u>10,110,005</u>
Market Value of Assets - end of Plan Year	148,308,351	143,134,717	138,050,755	132,962,606
Solvency Ratio	8.63	8.56	8.52	8.43

## ***Item 4 – Sensitivity of Projections of Plan’s Solvency Ratio - base units current trend - 1%***

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<b>Plan Year ending in</b>	<b><u>2034</u></b>	<b><u>2035</u></b>	<b><u>2036</u></b>	<b><u>2037</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	132,962,606	127,927,616	122,976,541	118,128,023
Employer Contributions	657,889	629,468	602,275	576,257
Withdrawal Liability to past wdl	1,358,876	1,358,876	1,358,876	1,358,876
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(15,895,832)	(15,397,647)	(14,888,805)	(14,380,083)
Administrative Expenses	(888,290)	(901,614)	(915,138)	(928,866)
Net Investment Return	<u>9,732,367</u>	<u>9,359,842</u>	<u>8,994,274</u>	<u>8,636,686</u>
Market Value of Assets - end of Plan Year	127,927,616	122,976,541	118,128,023	113,390,893
Solvency Ratio	8.36	8.31	8.26	8.21

<b>Plan Year ending in</b>	<b><u>2038</u></b>	<b><u>2039</u></b>	<b><u>2040</u></b>	<b><u>2041</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	113,390,893	107,708,313	101,715,581	95,738,782
Employer Contributions	551,363	527,544	504,754	482,949
Withdrawal Liability to past wdl	339,719	0	0	0
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(13,878,848)	(13,375,780)	(12,876,185)	(12,351,916)
Administrative Expenses	(942,799)	(956,940)	(971,295)	(985,864)
Net Investment Return	<u>8,247,985</u>	<u>7,812,444</u>	<u>7,365,927</u>	<u>6,921,631</u>
Market Value of Assets - end of Plan Year	107,708,313	101,715,581	95,738,782	89,805,582
Solvency Ratio	8.17	8.05	7.90	7.75

## ***Item 4 – Sensitivity of Projections of Plan’s Solvency Ratio - base units current trend - 1%***

<b>Plan Year ending in</b>	<b><u>2042</u></b>	<b><u>2043</u></b>	<b><u>2044</u></b>	<b><u>2045</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	89,805,582	83,815,134	77,823,804	71,831,345
Employer Contributions	462,085	442,123	423,023	404,749
Withdrawal Liability to past wdl	0	0	0	0
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(11,928,707)	(11,447,643)	(10,967,388)	(10,513,213)
Administrative Expenses	(1,000,652)	(1,015,662)	(1,030,897)	(1,046,360)
Net Investment Return	<u>6,476,826</u>	<u>6,029,852</u>	<u>5,582,803</u>	<u>5,134,680</u>
Market Value of Assets - end of Plan Year	83,815,134	77,823,804	71,831,345	65,811,201
Solvency Ratio	7.53	7.32	7.10	6.83

<b>Plan Year ending in</b>	<b><u>2046</u></b>	<b><u>2047</u></b>	<b><u>2048</u></b>	<b><u>2049</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	65,811,201	59,758,414	53,661,758	47,505,417
Employer Contributions	387,264	370,534	354,527	339,211
Withdrawal Liability to past wdl	0	0	0	0
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(10,062,301)	(9,620,281)	(9,190,698)	(8,780,084)
Administrative Expenses	(1,062,056)	(1,077,986)	(1,094,156)	(1,110,568)
Net Investment Return	<u>4,684,306</u>	<u>4,231,077</u>	<u>3,773,986</u>	<u>3,311,551</u>
Market Value of Assets - end of Plan Year	59,758,414	53,661,758	47,505,417	41,265,527
Solvency Ratio	6.54	6.21	5.84	5.41

# **EXHIBIT 14**

## **PROJECTION OF FUNDED PERCENTAGE**

**MID-JERSEY TRUCKING INDUSTRY  
AND LOCAL 701 PENSION FUND  
APPLICATION FOR BENEFIT  
SUSPENSIONS**

***Information Required by Section 6.06 of  
Revenue Procedure 2017-43***

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***June 2018***

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**Mid-Jersey Trucking Industry and Local 701 Pension Fund  
EIN/Plan Number: 13-6043977/001**

## ***Actuarial Statement***

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On August 29, 2017, the Plan was certified to be in critical and declining status for the plan year beginning June 1, 2017. The plan is not expected to emerge from critical status.

The Trustees are submitting an application to the Treasury to suspend benefits under §432(e)(9). The purpose of this report is to provide information required in Section 6.06 of the Revenue Procedure 2017-43.

This report contains a plan-year-by-plan-year projection of the plan's assets, actuarial accrued liability as well as the funded percentage.

The full list of actuarial assumptions and method as well as the supporting documentation is in the separate report labeled "Appendix B – Information on Actuarial Assumptions and Methods".

The undersigned actuaries of First Actuarial Consulting, Inc. meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report. All the calculations were performed in accordance with our understanding of generally accepted actuarial principles and practices and this report, to our knowledge, is complete and accurate and complies with the reasonable actuarial assumption rules.

Dewey A. Dennis, F.C.A., M.A.A.A.  
Enrolled Actuary No. 17-05712

Nadine Solntseva, F.C.A. M.A.A.A.  
Enrolled Actuary No. 17-07546

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**Mid-Jersey Trucking Industry and Local 701 Pension Fund**  
**EIN/Plan Number: 13-6043977/001**



## ***Projection of Plan's Funded Percentage***

<b>Plan Year ending in</b>	<b><u>2018<sup>1</sup></u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>
Assumed Rate of Return	6.71%	6.71%	6.71%	6.71%
Market Value of Assets - beginning of period	233,891,068	231,230,025	217,421,869	211,192,832
Employer Contributions	248,615	1,411,380	1,369,456	1,416,876
Withdrawal Liability to past wdl	0	1,375,142	1,375,142	1,375,142
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(5,362,665)	(30,397,838)	(22,165,711)	(21,822,923)
Administrative Expenses	(133,333)	(760,500)	(721,158)	(731,975)
Net Investment Return	<u>2,586,340</u>	<u>14,563,660</u>	<u>13,913,234</u>	<u>13,507,994</u>
Market Value of Assets - end of Plan Year	231,230,025	217,421,869	211,192,832	204,937,946
Actuarial Accrued Liability (eoy)	346,189,475	227,598,179	220,622,049	213,533,133
Funded Percentage (eoy)	66.79%	95.53%	95.73%	95.97%
<b>Plan Year ending in</b>	<b><u>2022</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2025</u></b>
Assumed Rate of Return	6.71%	6.71%	6.71%	6.71%
Market Value of Assets - beginning of Plan Year	204,937,946	198,620,510	192,308,259	186,003,684
Employer Contributions	1,386,635	1,363,556	1,340,478	1,254,953
Withdrawal Liability to past wdl	1,375,142	1,375,142	1,375,142	1,375,142
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(21,436,144)	(20,986,764)	(20,535,145)	(20,108,804)
Administrative Expenses	(742,954)	(754,099)	(765,410)	(776,891)
Net Investment Return	<u>13,099,885</u>	<u>12,689,914</u>	<u>12,280,360</u>	<u>11,868,372</u>
Market Value of Assets - end of Plan Year	198,620,510	192,308,259	186,003,684	179,616,456
Actuarial Accrued Liability (eoy)	206,351,176	199,163,882	191,958,050	184,670,883
Funded Percentage (eoy)	96.25%	96.56%	96.90%	97.26%

<sup>1</sup> Reflects the period from April 1, 2018 through May 31, 2018.

Other columns reflect the periods from June 1st through May 31st.

**Mid-Jersey Trucking Industry and Local 701 Pension Fund**  
**EIN /PN: 13-6043977 /001**

## ***Projection of Plan's Funded Percentage (cont'd)***

<b>Plan Year ending in</b>	<b><u>2026</u></b>	<b><u>2027</u></b>	<b><u>2028</u></b>	<b><u>2029</u></b>
Assumed Rate of Return	6.71%	6.71%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	179,616,456	173,288,834	167,022,081	162,385,584
Employer Contributions	1,260,770	1,260,770	1,251,170	1,228,092
Withdrawal Liability to past wdl	1,375,142	1,375,142	1,375,142	1,375,142
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(19,630,625)	(19,149,103)	(18,738,803)	(18,271,312)
Administrative Expenses	(788,545)	(800,373)	(812,379)	(824,564)
Net Investment Return	<u>11,455,636</u>	<u>11,046,811</u>	<u>12,288,373</u>	<u>11,945,793</u>
Market Value of Assets - end of Plan Year	173,288,834	167,022,081	162,385,584	157,838,735
Actuarial Accrued Liability (eoy)	177,405,466	170,162,527	164,538,336	158,973,714
Funded Percentage (eoy)	97.68%	98.15%	98.69%	99.29%

<b>Plan Year ending in</b>	<b><u>2030</u></b>	<b><u>2031</u></b>	<b><u>2032</u></b>	<b><u>2033</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	157,838,735	153,335,051	148,955,780	144,742,759
Employer Contributions	1,138,949	1,140,778	1,122,787	1,164,778
Withdrawal Liability to past wdl	1,375,142	1,375,142	1,371,076	1,358,876
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(17,789,010)	(17,322,498)	(16,800,918)	(16,369,461)
Administrative Expenses	(836,933)	(849,487)	(862,229)	(875,162)
Net Investment Return	<u>11,608,168</u>	<u>11,276,794</u>	<u>10,956,263</u>	<u>10,647,126</u>
Market Value of Assets - end of Plan Year	153,335,051	148,955,780	144,742,759	140,668,916
Actuarial Accrued Liability (eoy)	153,365,324	147,813,018	142,376,234	136,968,247
Funded Percentage (eoy)	99.98%	100.77%	101.66%	102.70%

**Mid-Jersey Trucking Industry and Local 701 Pension Fund**  
**EIN /PN: 13-6043977 /001**

## ***Projection of Plan's Funded Percentage (cont'd)***

<b>Plan Year ending in</b>	<b><u>2034</u></b>	<b><u>2035</u></b>	<b><u>2036</u></b>	<b><u>2037</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	140,668,916	136,755,796	133,036,646	129,543,774
Employer Contributions	1,162,949	1,156,776	1,156,776	1,171,853
Withdrawal Liability to past wdl	1,358,876	1,358,876	1,358,876	1,358,876
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(15,895,832)	(15,397,647)	(14,888,805)	(14,380,083)
Administrative Expenses	(888,290)	(901,614)	(915,138)	(928,866)
Net Investment Return	<u>10,349,177</u>	<u>10,064,459</u>	<u>9,795,419</u>	<u>9,544,486</u>
Market Value of Assets - end of Plan Year	136,755,796	133,036,646	129,543,774	126,310,040
Actuarial Accrued Liability (eoy)	131,637,832	126,414,021	121,314,038	116,356,042
Funded Percentage (eoy)	103.89%	105.24%	106.78%	108.55%

<b>Plan Year ending in</b>	<b><u>2038</u></b>	<b><u>2039</u></b>	<b><u>2040</u></b>	<b><u>2041</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	126,310,040	122,273,228	118,078,553	114,062,833
Employer Contributions	1,171,853	1,171,853	1,171,853	1,162,253
Withdrawal Liability to past wdl	339,719	0	0	0
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(13,878,848)	(13,375,780)	(12,876,185)	(12,351,916)
Administrative Expenses	(942,799)	(956,940)	(971,295)	(985,864)
Net Investment Return	<u>9,273,263</u>	<u>8,966,192</u>	<u>8,659,907</u>	<u>8,368,068</u>
Market Value of Assets - end of Plan Year	122,273,228	118,078,553	114,062,833	110,255,374
Actuarial Accrued Liability (eoy)	111,544,685	106,893,059	102,408,915	98,130,815
Funded Percentage (eoy)	109.62%	110.46%	111.38%	112.36%

**Mid-Jersey Trucking Industry and Local 701 Pension Fund**  
**EIN /PN: 13-6043977 /001**

## ***Projection of Plan's Funded Percentage (cont'd)***

<b>Plan Year ending in</b>	<b><u>2042</u></b>	<b><u>2043</u></b>	<b><u>2044</u></b>	<b><u>2045</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	110,255,374	106,577,084	103,097,840	99,831,994
Employer Contributions	1,162,253	1,162,253	1,162,253	1,162,253
Withdrawal Liability to past wdl	0	0	0	0
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(11,928,707)	(11,447,643)	(10,967,388)	(10,513,213)
Administrative Expenses	(1,000,652)	(1,015,662)	(1,030,897)	(1,046,360)
Net Investment Return	<u>8,088,816</u>	<u>7,821,808</u>	<u>7,570,186</u>	<u>7,334,083</u>
Market Value of Assets - end of Plan Year	106,577,084	103,097,840	99,831,994	96,768,757
Actuarial Accrued Liability (eoy)	93,967,748	89,988,794	86,205,927	82,606,763
Funded Percentage (eoy)	113.42%	114.57%	115.81%	117.14%
<b>Plan Year ending in</b>	<b><u>2046</u></b>	<b><u>2047</u></b>	<b><u>2048</u></b>	<b><u>2049</u></b>
Assumed Rate of Return	7.75%	7.75%	7.75%	7.75%
Market Value of Assets - beginning of Plan Year	96,768,757	93,920,200	91,293,481	88,892,624
Employer Contributions	1,162,253	1,162,253	1,162,253	1,160,424
Withdrawal Liability to past wdl	0	0	0	0
Payments attributable to future wdl	0	0	0	0
Benefit Payments	(10,062,301)	(9,620,281)	(9,190,698)	(8,780,084)
Administrative Expenses	(1,062,056)	(1,077,986)	(1,094,156)	(1,110,568)
Net Investment Return	<u>7,113,547</u>	<u>6,909,295</u>	<u>6,721,744</u>	<u>6,550,882</u>
Market Value of Assets - end of Plan Year	93,920,200	91,293,481	88,892,624	86,713,278
Actuarial Accrued Liability (eoy)	79,200,913	75,993,287	72,986,606	70,175,466
Funded Percentage (eoy)	118.58%	120.13%	121.79%	123.57%

**Mid-Jersey Trucking Industry and Local 701 Pension Fund**  
**EIN /PN: 13-6043977 /001**

# EXHIBIT 15

## Plan Sponsor Certifications Relating to Plan Amendments

I hereby certify that if the Mid-Jersey Trucking Industry and Teamsters Local 701 Pension and Annuity Fund receives final authorization to implement the suspension as described in § 432(e)(9)(H)(vi) of the Internal Revenue Code ("Code") and chooses to implement the authorized suspension, then, in addition to the amendment to the Defined Benefit Plan of the Mid-Jersey Trucking Industry and Teamsters Local 701 Pension and Annuity Fund implementing the suspension, the following Plan amendments will be timely adopted and not modified at any time thereafter before the suspension of benefits expires:

(1) A Plan amendment providing that in accordance with § 432(e)(9)(C)(ii) of the Code the benefit suspension will cease as of the first day of the first Plan Year following the Plan Year in which the plan sponsor fails to maintain a written record of its determination that both:

(a) All reasonable measures to avoid insolvency continue to be taken during the period of the benefit suspension.

(b) The Plan would not be projected to avoid insolvency if no suspension of benefits were applied under the Plan.

(2) A Plan amendment providing that any future benefit improvements must satisfy the requirements of § 432(e)(9)(E) of the Code.

Union Trustee  
Date: June 25, 2018

Employer Trustee  
Date: June 25, 2018

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Mid-Jersey Trucking Industry and Local 701 Pension Fund  
EIN /PN: 13-6043977 /001

## **Exhibit 16**

### **Power of Attorney and Declaration of Representative Before the Department of Treasury**

#### **Applicant information:**

Defined Benefit Plan of the Mid-Jersey Trucking Industry and Teamsters Local 701 Pension and Annuity Fund  
 2003 US Route 130  
 Suite A  
 North Brunswick, NJ 08902  
 001  
 13-6043977  
 (732) 297-3900

Applicant hereby appoints the following representative(s) as attorney(s)-in-fact to represent the taxpayer before the Department of the Treasury and perform acts related to the attached application dated June 25, 2018 for suspension of benefits under § 432(e)(9) of the Internal Revenue Code of 1986, as amended.

#### **Representative information:**

Meredith B. Brodsky, Esq.  
 Allison A. Madan, Esq.  
 David Weingarten, Esq.  
 Slevin & Hart, P.C.  
 1625 Massachusetts Ave., N.W., Suite 450  
 Washington, DC 20036  
 (202) 797-8700  
 mbrodsky@slevinhart.com  
 amadan@slevinhart.com  
 dweingarten@slevinhart.com

Paul A. Montalbano  
 Cohen, Leder, Montalbano & Connaughton  
 669 River Drive Suite 125  
 Elmwood Park, NJ 07407  
 (908) 298-8800  
 montalbanoemail@yahoo.com

Dewey A. Dennis, EA, MAAA, FCA  
 William J. McKeon, Jr., ASA, EA, FCA, MAAA  
 Nadine Solntseva, EA, FCA, MAAA  
 First Actuarial Consulting Inc.  
 1501 Broadway, Suite 1728  
 New York, NY 10036  
 (212) 395-9555  
 ddennis@factuarial.com  
 billmckeon@factuarial.com  
 nsolntseva@factuarial.com

Send copies of notices and communications to representative: Yes

With the exception of the acts described below, I authorize my representative(s) to receive and inspect information, including confidential tax information, and to perform acts that I can perform with respect to the attached application dated June 25, 2018 for suspension of benefits under § 432(e)(9). For example, my representative(s) shall have the authority to sign any agreements, consents, or similar documents.

Specific acts not authorized: None

### Signature of Applicant and Date

This power of attorney must be signed and dated by an authorized Trustee who is a current member of the Board of Trustees.

[Redacted Signature]

Authorized Trustee

Authorized Trustee

Date: June 25, 2018

Date: June 25, 2018

### Declaration of Representative

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

- I am not currently suspended or disbarred from practice before the Internal Revenue Service;
- I am authorized to represent the Applicant for the matter(s) specified in this Power of Attorney and Declaration of Representative; and
- I am one of the following:
  - a. Attorney - a member in good standing of the bar of the highest court of the jurisdiction shown below.
  - b. Certified Public Accountant - duly qualified to practice as a certified public accountant in the jurisdiction shown below.
  - c. Enrolled Agent.

- d. Officer - a bona fide officer of the Applicant.
- e. Full-Time Employee - a full-time employee of the Applicant.
- f. Enrolled Actuary - enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Internal Revenue Service is limited by section 10.3(d) of Circular 230).
- g. Enrolled Retirement Plan Agent

Required information for Representative:

Meredith B. Brodsky a  
Licensing Jurisdiction: DC, NY  
Enrollment Number: 493492, 671065

Allison A Madan a  
Licensing Jurisdiction: DC, PA  
Enrollment Number: 436301, 157922

David Weingarten a  
Licensing Jurisdiction: DC, NY, IL  
Enrollment Number: 926543, 2126019, 15249

Paul A. Montalbano a  
Licensing Jurisdiction: NJ  
Enrollment Number: 019161977

Dewey A. Dennis f  
Enrollment Number: 17-05712

William McKeon, Jr. f  
Enrollment Number: 17-05137

Nadine Solntseva f  
Enrollment Number: 17-07546

**Signature of Representatives and date:**

[Redacted Signature]

Date: 6/26/18





# **EXHIBIT 17**

## **PLAN DOCUMENTS**