

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Exhibit 7.11 Checklist (Checklist Item #42)**

<b>Response</b>	<b>Item</b>	<b>Description of Item</b>	<b>Page</b>	<b>Exhibit</b>
Yes	1	Does the application include an original signature of the plan sponsor or an authorized representative of the plan sponsor? <i>See Section 2.01 of this revenue procedure.</i>	12	N/A
Yes	2	Does the application include a description of the proposed benefit suspension - calculated as if no other limitations apply - that includes: •the suspension's effective date (and its expiration date, if applicable), •whether the suspension provides for different treatment of participants and beneficiaries, •a description of the different categories or groups of individuals affected, and •how the suspension affects these individuals differently? <i>See Section 2.02 of this revenue procedure.</i>	12	N/A
Yes	3	Does the application include a penalties-of-perjury statement signed by an authorized trustee on behalf of the board of trustees? <i>See Section 2.03 of this revenue procedure.</i>	12	N/A
Yes	4	Does the application include a statement, signed by an authorized trustee on behalf of the board of trustees, acknowledging that the application and the application's supporting material will be publicly disclosed on the Treasury Department's website? <i>See Section 2.04 of this revenue procedure.</i>	13	N/A
Yes	5	Does the application include the plan actuary's certification of critical and declining status and the supporting illustrations, including: •the plan-year-by-plan-year projections demonstrating projected insolvency during the relevant period, and •separately identifying the available resources (and the market value of assets and changes in cash flow) during each of those years? <i>See Section 3.01 of this revenue procedure.</i>	14	3.01a 3.01b

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Yes	6	<p>Does the application include the plan actuary's certification that, taking into account the proposed suspension and, if applicable, a proposed partition, the plan is projected to avoid insolvency if the suspension takes effect, and the supporting illustrations, including:</p> <ul style="list-style-type: none"> <li>•the plan-year-by-plan-year projections demonstrating projected solvency during the relevant period,</li> <li>•separately identifying the available resources (and the market value of assets and changes in cash flow) during each of those years?</li> </ul> <p><i>See Section 3.02 of this revenue procedure.</i></p>	14	3.02
Yes	7	<p>Does the application include the plan sponsor's determination of projected insolvency that includes the documentation set forth in section 5 of the revenue procedure?</p> <p><i>See Section 3.03 of this revenue procedure.</i></p>	15	N/A
Yes	8	<p>Does the application include a demonstration that the limitations on individual suspensions are satisfied, including a description of each benefit based on disability, as defined under the plan, that is paid to an individual under the plan (without regard to whether the disability benefits are available to newly disabled participants) and calculations regarding:</p> <ul style="list-style-type: none"> <li>• the guarantee-based limitation,</li> <li>• the disability-based limitation,</li> <li>• the age-based limitation, taking into account the guarantee-based limitation, and</li> <li>• if applicable, the age-based limitation taking into account both the guarantee-based limitation and the disability-based limitation?</li> </ul> <p><i>See Section 4.01 of this revenue procedure.</i></p>	16	4.01a-4.01h
Yes	9	<p>Does the application include a demonstration that the proposed suspension is reasonably estimated to achieve the level necessary to avoid insolvency for the extended period, including illustrations regarding the plan's solvency ratio and available resources?</p> <p><i>See Section 4.02(1) of this revenue procedure.</i></p>	17	3.02

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N/A	10	Does the application include an illustration that the proposed suspension is reasonably estimated to achieve the level necessary to avoid insolvency for the extended period utilizing stochastic projections? (This illustration is optional if the plan is not required to appoint a retiree representative under § 432(e)(9)(B)(v)(I).) <i>See Section 4.02(2) of this revenue procedure.</i>		
N/A	11	Does the application include a demonstration that the proposed suspension is not projected to materially exceed the level necessary to avoid insolvency, including: •the plan-year-by-plan-year projections demonstrating projected insolvency during the relevant period, and •a separate identification of the available resources (and the market value of assets and changes in cash flow) during each of those years? <i>See Section 4.03 of this revenue procedure.</i>		
Yes	12	Does the application include a demonstration that the proposed suspension is equitably distributed, including: •information on the effect of the suspension on the plan in the aggregate, •information on the effect of the suspension for different categories or groups, •a list of the factors taken into account, •an explanation of why none of the factors listed in §432(e)(9)(D)(vi) were taken into account (if applicable), •for each factor taken into account that is not one of the factors listed in § 432(e)(9)(D)(vi), an explanation why the factor is relevant, and •an explanation of how any difference in treatment among categories or groups of individuals results from a reasonable application of the relevant factors? <i>See Section 4.04 of this revenue procedure.</i>	17	4.04(1a) 4.04(1b)

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Yes	13	Does the application include a copy of the notices (excluding personally identifiable information) that meet the requirements under §432(e)(9)(F)? <i>See Section 4.05(1) of this revenue procedure.</i>	17	4.05a-4.05h
Yes	14	Does the application include a description of the efforts that are being taken to contact participants, beneficiaries in pay status, and alternate payees? <i>See Section 4.05(2) of this revenue procedure.</i>	17	N/A
Yes	15	Does the application describe the steps the plan sponsor has taken to ensure that notices delivered electronically are reasonably accessible to the recipients? <i>See Section 4.05(3) of this revenue procedure.</i>	18	N/A
Yes	16	Does the application include a list of each employer who has an obligation to contribute under the plan and each employee organization representing participants under the plan? <i>See Section 4.05(4) of this revenue procedure.</i>	18	N/A
Yes	17	Does the application include information on past and current measures taken to avoid insolvency? <i>See Section 5.01 of this revenue procedure.</i>	22	N/A

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Yes	18	Does the application include information regarding the plan factors described in §432(e)(9)(C)(ii), for the past 10 plan years immediately preceding the plan year in which the application is submitted? <i>See Section 5.02 of this revenue procedure.</i>	23	N/A
Yes	19	Does the application describe how the plan sponsor took into account - or did not take into account - the factors listed in section 5.02 of this revenue procedure in the determination that all reasonable measures were taken to avoid insolvency? <i>See Section 5.03 of this revenue procedure.</i>	26	N/A
Yes	20	Does the application describe how the plan sponsor took into account - or did not take into account - in the determination that all reasonable measures have been taken to avoid insolvency, the impact of: •benefit and contribution levels on retaining active participants and bargaining groups under the plan, and •past and anticipated contribution increases under the plan on employer attrition and retention levels? <i>See Section 5.03 of this revenue procedure.</i>	26	N/A
Yes	21	Does the application include a discussion of any other factors the plan sponsor took into account including how and why those factors were taken into account? <i>See Section 5.04 of this revenue procedure..</i>	27	N/A
Yes	22	Does the application include a copy of the proposed ballot, excluding the information regarding the statement in opposition, the individualized estimate, and the voting procedures? <i>See Section 6.01 of this revenue procedure.</i>	28	6.01
Yes	23	Does the application indicate whether the plan sponsor is requesting approval from PBGC of a proposed partition under section 4233 of ERISA? <i>See Section 6.02 of this revenue procedure..</i>	28	N/A

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Yes	24	If the answer to item 23 is yes, does the application specify the effective date of the proposed partition and include a plan-year-by-plan-year projection of the amount of the reduction in benefit payments attributable to the partition? <i>See Section 6.02 of this revenue procedure.</i>	28	6.02
Yes	25	Does the application include: •a description of each of the assumptions used in the projections required under sections 3.01, 3.02, 4.02(1), 4.02(2), and 4.03 of this revenue procedure, •supporting evidence for the selection of those assumptions, and •an explanation of any differences among the assumptions used for various purposes? <i>See Section 6.03 and Appendix B of this revenue procedure.</i>	28	6.03
Yes	26	Does the application describe the plan's experience with certain critical assumptions, including a disclosure for each of the 10 plan years immediately preceding the application that separately identifies: •the total contributions, •the total contribution base units, •the average contribution rates, •the withdrawal liability payments, and •the rate of return on plan assets? <i>See Section 6.04 of this revenue procedure.</i>	28	N/A
Yes	27	Does the application include deterministic projections of the sensitivity of the plan's solvency ratio throughout the extended period by taking into account the more conservative assumptions of investment experience and future contribution base units than assumed elsewhere in the application? <i>See Section 6.05 of this revenue procedure..</i>	29	6.05(1)- 6.05(4)
Yes	28	Does the plan include deterministic projections for each year in the extended period of: •the value of plan assets, •the plan's accrued liability, and •the plan's funded percentage? <i>See Section 6.06 of this revenue procedure.</i>	29	3.02

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Yes	29	<p>Does the application include the plan sponsor's representation that, if it receives the Treasury Department's final authorization to suspend and then chooses to implement the suspension, it will also amend the plan:</p> <ul style="list-style-type: none"> <li>•to provide that the suspension will cease upon the plan sponsor's failure to maintain a written record of its annual determination that (i) all reasonable measures continue to be taken to avoid insolvency and (ii) the plan would not be projected to avoid insolvency without a suspension,</li> <li>•to require that any future benefit improvements must satisfy §432(e)(9)(E), and</li> <li>•to specify that the plan sponsor will not modify these amendments, notwithstanding any other provision of the plan document?</li> </ul> <p style="text-align: center;"><i>See Section 6.07 of this revenue procedure.</i></p>	29	N/A
Yes	30	<p>Does the application indicate whether the plan is a plan described in § 432(e)(9)(D)(vii) and, if it is, how that is reflected in the proposed benefit suspension?</p> <p style="text-align: center;"><i>See Section 6.08.</i></p>	30	N/A
Yes	31	<p>Does the application include a narrative statement of the reasons the plan is in critical and declining status?</p> <p style="text-align: center;"><i>See Section 6.09.</i></p>	30	N/A
Yes	32	<p>Does the application include the required plan sponsor identification and contact information?</p> <p style="text-align: center;"><i>See Section 7.01 of this revenue procedure.</i></p>	31	N/A
Yes	33	<p>Does the application include the required plan identification information?</p> <p style="text-align: center;"><i>See Section 7.02 of this revenue procedure.</i></p>	31	N/A
N/A	34	<p>Does the application include the required retiree representative information (if applicable)?</p> <p style="text-align: center;"><i>See Section 7.03 of this revenue procedure.</i></p>		
Yes	35	<p>Does the application include the required enrolled actuary information?</p> <p style="text-align: center;"><i>See Section 7.04 of this revenue procedure.</i></p>	31	N/A

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Yes	36	Does the application include a designation of power of attorney for each authorized representative who will represent the plan sponsor in connection with the application? <i>See Section 7.05 and Appendix C of this revenue procedure.</i>	31	7.05
Yes	37	Does the application include: •the required plan documents •any recent amendments •the summary plan description (SPD) •any summary of material modifications, and •the most recent determination letter? <i>See Section 7.06 of this revenue procedure.</i>	32	7.06a- 7.06c
Yes	38	Does the application include the required excerpts from the relevant collective bargaining agreements and side agreements? <i>See Section 7.07 of this revenue procedure.</i>	32	7.07
Yes	39	Does the application include the required excerpts from the most recently filed Form 5500? <i>See Section 7.08 of this revenue procedure.</i>	32	7.08
Yes	40	Does the application include the most recently updated rehabilitation plan? <i>See Section 7.09 of this revenue procedure.</i>	32	7.09



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Yes	41	Does the application include the two most recent actuarial valuation reports? <i>See Section 7.10 of this revenue procedure.</i>	32	7.10
Yes	42	Does the application include this checklist, completed and placed on top of the application? <i>See Section 7.11 of this revenue procedure and this Appendix D.</i>	1	7.11
N/A	43	If the application is being submitted for resubmission review, does the application include: •cross-references to information in the prior application with respect to information that has not changed from the prior application, •a statement that the application is being submitted for resubmission review, and •the date on which the Treasury Department indicated that the application is a candidate for resubmission review? <i>See Section 8 of this revenue procedure.</i>		

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

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

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

**Building Material Drivers Local 436 Pension Trust Fund**

**Application to the  
Secretary of the Treasury  
for  
Approval of Suspension of Benefits**

**Application for Approval of Benefit Suspension for  
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**Section 1. Background and Purpose**

Section 201 of the Multiemployer Pension Reform Act of 2014, Division O of the Consolidated and Further Continuing Appropriations Act, 2015, Public Law 113-235 (128 Stat.2130 (2014)) (MPRA), amended the Internal Revenue Code (Code) and the Employee Retirement Income Security Act of 1974, Public Law 93-406 (88 Stat. 829 (1974)), as amended (ERISA), to permit the sponsor of a multiemployer defined benefit plan in critical and declining status to suspend benefits in certain situations.

In particular, MPRA amended §432(e) (9) of the Code and section 305(e)(9) of ERISA to permit the sponsor of a multiemployer defined benefit plan in critical and declining status to submit to the Secretary of the Treasury (Secretary) an application to suspend benefits in certain situations. MPRA requires the Secretary to approve a plan sponsor's proposed suspension if the plan is eligible for the proposed suspension and proposed suspension satisfies §432(e)(9)(C) through (F) of the Code.

Revenue Procedure 2017-42 prescribes the application process for approval of a proposed benefit suspension in accordance with §432(e)(9)(G) and provides a model notice that a plan sponsor proposing a benefit suspension may use to satisfy the content and readability requirements of §432(e)(9)(F)(ii) and (iii)(II).


This application is submitted in accordance with Revenue Procedure 2017-43 and the section numbers and exhibits included with this application match those in the Revenue Procedure.


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**Section 2. Application Procedures**

**2.1 Who May Submit an Application**

The application is being submitted by Joseph Mara Jr. the enrolled actuary for the Fund and an authorized representative of the Board of Trustees as indicated in the power of attorney Exhibit 7.05. The application has been signed by John M. Fortesque, an authorized Trustee who is Chairman of the Board of Trustees.

  
Authorized Representative

  
John M. Fortesque  
Authorized Representative

**2.2 Terms of Proposed Benefit Suspension**

1. The proposed effective date for suspension and partition is **May 1, 2021**.
2. There is no proposed expiration date.
3. The proposed suspension does not provide for different treatment of participants and beneficiaries, everyone's benefit is to be suspended based on the individual limitations set forth in §432(e)(9)(D)(i), (ii), and (iii).

**2.3 Penalties of Perjury**

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

  
John M. Fortesque  
Authorized Representative

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**Section 2. Application Procedures**

**2.4 Public Disclosure**

I acknowledge that pursuant to §432(e)(9)G(ii), the application for approval of the proposed suspension of benefits, and application's supporting material, will be publicly disclosed through publication on the Treasury Department website.

[Redacted Signature and Date]

John M. Fortesque.  
Authorized Trustee

Date

**2.05 Where to Submit an Application**

This application is being submitted to [www.treasury.gov/mpira](http://www.treasury.gov/mpira)

**2.06 Signature**

All signatures required by Revenue Procedure 2017-43 are being submitted electronically in Portable Document Format as part of the application. Stamped signatures have not been used.

**2.07 Duty to Correct**

The Plan Sponsor acknowledges that if, after submission of this application for a suspension of benefits, an error is identified, prompt notice must be provided to the Treasury Department.

[Redacted Signature and Date]

John M. Fortesque  
Authorized Representative

Date



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**Section 3. Demonstration that Fund is Eligible for Suspension**

**3.01 Fund Actuary's Certification of Critical and Declining Status**

Exhibit 3.01a contains the certification required under §432(b)(3)(A) that the plan is in critical and declining status as defined in §432(b)(6) for the Plan Year beginning January 1, 2020 (the plan year in which this application is submitted).

Exhibit 3.01b contains documentation supporting the actuarial certification of status, including a plan-year-by-plan-year projection of the available resources as defined in §418E(b)(3) and benefits that are due under the plan, demonstrating that the plan is projected to become insolvent during the period described in §432(b)(6).

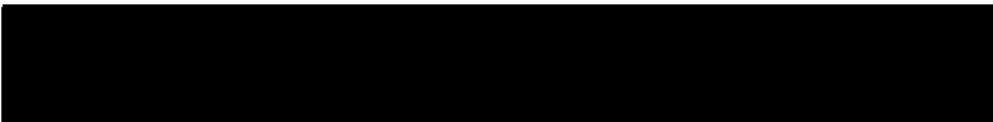
**3.02 Fund Actuary's Certification that the Fund is Projected to Avoid Insolvency**

Exhibit 3.02 contains documentation supporting the actuarial certification that the plan is projected to avoid insolvency within the meaning of §418E, taking into account the proposed suspension and partition, and assuming that the proposed suspension continues indefinitely. This exhibit includes a plan-year-by-plan-year projection of the available resources within the meaning of §418E(b)(3) and the benefits that are due under the plan demonstrating the avoidance of insolvency of the plan over the extended period described in §1.432(e)(9)-1(d)(5)(ii)(C).

This application and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as a credentialed actuary, I meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this information. This does not address any contractual or legal issues. I am not an attorney and our firm does not provide any legal services or advice.

In preparing this certification, we have relied on information supplied by the Fund Office and the Board of Trustees. This information includes, but is not limited to, fund provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23.

Future results may differ significantly from the current results presented in this analysis due to such factors as the following: plan experience different from that anticipated by the assumptions; changes in assumptions; and changes in plan provisions or applicable law.

  
Joseph Mara, Jr., ASA, EA  
Enrolled Actuary (EA#20-06992)

  
Date

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**Section 3. Demonstration that Fund is Eligible for Suspension**

**3.03 Plan Sponsor's Determination of Projected Insolvency**

Pursuant to §432(e)(9)(C)(ii), the Plan Sponsor has determined that the plan would not be projected to avoid insolvency if no suspension of benefits were applied under the plan, even though all reasonable measures to avoid insolvency have been taken.

The Board of Trustee's determination that the Fund is projected to become insolvent unless benefits are suspended and partitioned is based on Exhibit 3.01a. Additionally, the Board of Trustees' determination is based on the documentation in Section 5 of this application.

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**Section 4. Demonstration that the Proposed Suspension Satisfies the Statutory  
Requirements**

**4.01 Demonstration that Limitations on Individual Suspensions are Satisfied**

Sample calculations demonstrating how the proposed suspension satisfies the individual limitations can be found in Exhibits 4.01a-4.01h. Please note the following;

- a. There are no increased benefits that have not become part of the accrued benefit
  - b. There are no benefit increases in effect for less than 60 months
  - c. The Fund does not offer a social security level income option. The Fund does not provide for late retirement increase adjustments. The Fund does not allow service accruals of greater than 1 per year. The Fund does limit service for benefit accrual purposes to 32 years for most accrual schedules (all service for purposes of determining the PBGC Guarantee have likewise been limited).
1. Sample calculations applying the guarantee-based limitation under §432(e)(9)(D)(i)
    - a. Exhibit 4.01a - individual currently receiving single life annuity, with over 32 years of service
    - b. Exhibit 4.01b - beneficiary currently receiving single life annuity
    - c. Exhibit 4.01c - Active participant
    - d. Exhibit 4.01d – Term Vested Participant
  2. The plan provided for benefits based on disability
    - a. Disability Benefits were eliminated on the effective date of the first Collective Bargaining Agreement following November 16, 2009, after which no future benefits will be treated as a benefit based on disability. For participants that entered pay status as a result of disability prior to this date, their entire benefit is treated as a benefit based on disability.
    - b. Exhibit 4.01e - Disabled participant and contingent beneficiary receiving a joint and survivor annuity
  3. Sample calculations applying the age-based limitation under §432(e)(9)(D)(ii)
    - a. Exhibit 4.01f - individual currently receiving single life annuity who is between age 75 and age 79 on the last day of the month that contains the proposed effective date of the suspension
    - b. Exhibit 4.01g - beneficiary currently receiving single life annuity who is between age 75 and age 79 on the last day of the month that contains the proposed effective date of the suspension
    - c. Exhibit 4.01h - Term Vested participant who has not commenced benefits who is between age 75 and age 79 on the last day of the month that contains the proposed effective date of the suspension



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**Section 4. Demonstration that the Proposed Suspension Satisfies the Statutory Requirements**

**4.02 Demonstration that the Proposed Suspension is Reasonably Estimated to Enable the Fund to Avoid Insolvency**

1. Exhibit 3.02 shows a deterministic demonstration that, in accordance with §432(e)(9)(D)(iv), the proposed benefit suspension and plan partition are reasonably estimated to enable the plan to avoid insolvency
  - a. For each plan year during the extended period described in §432(e)(9)-1(d)(5)(ii)(C), the plan's solvency ratio is projected to be at least 1.0
  - b. The plan's projected funded percentage at the end of the extended period is less than 100%, however, neither the plan's solvency ratio nor its available resources are projected to decrease in any of the last five plan years of the extended period
2. This illustration is not required. The plan sponsor was not required to appoint a retiree representative under §432(e)(9)(B)(v)(I)
3. Section 6.03 of this application includes information on the actuarial assumptions used for the illustrations herein

**4.03 Demonstration that the Proposed Suspension is Reasonably Estimated to not Materially Exceed the Level Necessary to Avoid Insolvency**

The Plan is applying for a partition in combination with a suspension; therefore this item is not required.

**4.04 Demonstration that the Proposed Benefit is Distributed Equitably**

1. In accordance with §432(e)(9)(D)(vi), the proposed benefit suspension is distributed in an equitable manner
  - a. Exhibit 4.04(1a) shows information about the plan in aggregate
  - b. Exhibit 4.04(1b) is the demonstration of the distribution of benefit suspension
2. The Plan is applying for a partition in combination with a suspension, therefore this item is not required

**4.05 Participant Notice**

The following is the plan sponsor's method for satisfying the notice requirements under §432(e)(9)(F)

1. Exhibit 4.05 contains sample participant notices. Exhibits 4.05a-4.05h contain sample benefit statements (without personally identifiable information)
2. Efforts that are being made to contact participants, beneficiaries and alternate payees include; contracting with an independent firm to search the Plan's database of

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**Section 4. Demonstration that the Proposed Suspension Satisfies the Statutory  
Requirements**

deferred vested members to discover deceased participants and out of date or invalid addresses on a regular basis; further search as necessary to discover spouses of deceased participants; contract with that firm to perform both an address search and a search for deceased retirees.

3. Steps the plan sponsor has taken to ensure that any electronically delivered notices are reasonably accessible to the recipients include; the fund does not distribute anything electronically, and has not in the past.
4. A list of
  - a. Employers that have an obligation to contribute within the meaning of section 4212(a) of ERIS.A

These include all who have obligation to contribute but excludes any employer paying withdrawal liability:

A & J CEMENT CONTRACTORS INC.  
27900 LAKELAND BLVD.  
EUCLID OH 44132

AMERICAN VAULT  
2275 SCRANTON RD  
CLEVELAND OH 44113

B & B WRECKING & EXCAV. CO  
4510 EAST 71ST ST.  
SUITE 6  
CLEVELAND OH 44105

B.T.B. TRUCKING  
3560 EAST 55TH STREET  
CLEVELAND OH 44105

C A AGRESTA CONSTRUCTION  
4186 GREENVALE RD  
SO EUCLID OH 44121 2839

CEM-BASE, INC.  
8530 N. BOYLE PKWY  
TWINSBURG OH 44087 2267

COLUMBIA BUILDING PRODUCTS INC  
25961 ELM STREET  
P.O. BOX 38248  
OLMSTED FALLS OH 44138 1615

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COOK PAVING CO., INC.  
4545 SPRING RD.  
BROOKLYN HTS OH 44131 0

DAY & ZIMMERMAN NPS  
1500 SPRING GARDEN STREET  
PHILADELPHIA PA 19130

DECKER STEEL COMPANY  
4500 TRAIN AVE.  
CLEVELAND OH 44102

DONLEY'S INC.  
5430 WARNER RD.  
CLEVELAND OH 44125

FABRIZI TRUCKING & PAVING CO.  
20389 FIRST STREET  
MIDDLEBURG HTS. OH 44130

HAJOCA CORPORATION  
2001 JOSHUA ROAD  
LAFAYETTE HILL PA 19444

INDEPENDENCE EXCAVATING INC.  
5720 SCHAAF RD.  
INDEPENDENCE OH 44131

INDUSTRIAL FIRST INC.  
25840 MILES AVE.  
CLEVELAND OH 44146

KELLEY STEEL SCRAP HAULERS  
7220 DIVISION ST  
BEDFORD OH 44146 5488

LAFARGE-HOLCIM  
6509 AIRPORT RD  
MISSISSAUGA, ON CANADA, L4V 1S7

LAKESIDE SUPPLY COMPANY  
3000 W. 117TH ST.  
CLEVELAND OH 44111

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Section 4. Demonstration that the Proposed Suspension Satisfies the Statutory  
Requirements**

LOCAL 436 PENSION FUND  
6051 CAREY DRIVE  
VALLEY VIEW OH 44125 4259

LOCAL UNION 436  
6051 CAREY DRIVE  
VALLEY VIEW OH 44125

MID AMERICA TRUCKING  
5585 CANAL RD.  
VALLEY VIEW OH 44125

MIDWEST EQUIPMENT CO.  
9800 BROADWAY AVE.  
CLEVELAND OH 44125 1639

PREMIER ASPHALT PAVING CO INC.  
10519 ROYALTON RD  
NO. ROYALTON OH 44133 4401

RELMEC MECHANICAL LLC  
4975 HAMILTON AVE.  
CLEVELAND OH 44114 3906

REX PIPE & SUPPLY CO.  
2001 JOSHUA ROAD  
LAFAYETTE HILL PA 19444 0

S.B. MORABITO TRKG. CO. INC.  
3560 EAST 55TH STREET  
CLEVELAND OH 44105

SAFWAY SERVICES LLC  
5251 W. 130TH  
CLEVELAND OH 44130 1033

SCHWEIZER DIPPLE INC.  
7227 DIVISION STREET  
OAKWOOD VILLAGE OH 44146

STEVENS ENGINEERS CONSTRUCTORS  
7850 FREEWAY CIRCLE  
SUITE 100  
MIDDLEBURG HTS OH 44130 6317

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Section 4. Demonstration that the Proposed Suspension Satisfies the Statutory  
Requirements**

THE PERK CO  
8100 GRAND AVE., STE 300  
CLEVELAND OH 44104 3110

THE SHELLY COMPANY  
PO BOX 266  
THORNVILLE OH 43076

VANDRA BROS.  
24629 BROADWAY AVENUE  
OAKWOOD VILLAGE OH 44146 6340

- b. Employee organizations representing participants under the plan;  
IBT Local Union No. 436, 6051 Carey Drive alley View OH 44125

**Section 5. Plan Sponsor Determination Relating to Reasonable Measures Taken to Avoid  
Insolvency**

**5.01 Measures Taken to Avoid Insolvency**

A detailed description of measures taken to avoid insolvency over the past 10 plan years immediately preceding the 2020 plan year, is provided below:

In 2006 the Plan Sponsor (Board of Trustees), enacted the following measures to stabilize the Plan:

1. Increased the number of hours needed for participants to earn a full year of credited service from 1,300 to 2,080
2. Increased the normal retirement age for benefits accrued January 1, 2007 and later to 65 from 62 and,
3. Instituted a 60% increase in contribution rates to be phased in, in three steps for new and renegotiated collective bargaining agreements with no increase in benefits. For example collective bargaining agreements that required a \$3.45 per hour contribution to accrue benefits under the Plan's \$2,700 formula were required to increase that contribution rate to \$4.15 in the first year of the new agreement, \$4.85 in the second year of the agreement and \$5.55 in the third year of the agreement.

In adopting the Rehabilitation Plan pursuant to the Pension Reform Act the Plan Sponsor adopted a plan that required contributing employers to increase contribution rates by 81% in five equal steps. At that time the Plan's post-retirement death benefit, disability benefit, early retirement benefit and life annuity benefit option with sixty month guaranteed payments were eliminated. Details of these Reductions include;

1. Benefit Accrual Rate: Benefit accrual rates remained the same as pre pension reform act
2. Early Retirement Subsidies: All early retirement pensions were removed upon the Plan entering critical status in 2010; prior early retirement benefits were not subsidized
3. Optional Form of Payment Subsidies: Upon entering critical status the Plan removed the only subsidized form of benefit payment which was a life annuity with a sixty month guarantee of benefit payments
4. Disability Pension Benefits for Current Active Participants: The Plan removed all disability benefit pensions for active members whose disability occurred after the Plan entering critical status or after the participant's employer adopted a new or renegotiated collective bargaining agreement
5. Death Benefit: The Plan removed a \$5,000 post-retirement death benefit for all active participants and deferred vested participants not in pay status upon the Plan entering critical status for deferred vested participants or upon the participant's last employer adopting a new or renegotiated collective bargaining agreement after January 1, 2010

**Application for Approval of Benefit Suspension for  
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EIN/PN: 34-6665225 / 001**

**Section 5. Plan Sponsor Determination Relating to Reasonable Measures Taken to Avoid  
Insolvency**

**5.02 Fund Factors**

In accordance with §432(e)(9)(C)(ii), the following specific information was taken into account by the plan sponsor in determining that all reasonable measures have been taken to avoid insolvency:

1. For the 10 Plan Years immediately preceding 2020;
  - a. Section 6.04 summarizes total contributions and contribution base units, Sections 5.01 and 5.03 summarize the contribution rates
  - b. Benefit accrual levels are as follows:

**Regular Plan**

Basic Monthly Benefit	For employers at \$30-\$40 weekly contribution: \$16.50 for each year of service up to 30 years plus \$1.00 for each year of service in excess of 30 years
--------------------------	--

Supplement Lower Plan	\$250.00 per month For employers at less than \$30 weekly contribution: \$5.50 for each year of service up to 30 years
--------------------------	--

**1992 Plan** Effective in 1992, a lifetime monthly pension equal to:  
For employers at \$40 weekly contribution:  
\$27.00 for each year of service up to 10 years,  
\$31.00 for each year of service between 10 and 20 years,  
\$35.00 for each year of service between 20 and 30 years,  
\$36.00 for each year of service between 30 and 32 years  
*Maximum amount is \$1,002*

**1995 Plan** Effective in 1995, a lifetime monthly pension equal to:  
For employers where ultimate Rehabilitation Plan contribution is  
\$6.50 per hour:  
\$35.10 for each year of service up to 10 years  
\$40.30 for each year of service between 10 and 20 years  
\$45.50 for each year of service between 20 and 30 years  
\$46.50 for each year of service between 30 and 32 years  
*Maximum amount is \$1,302*

**1997 Plan** Effective in 1997, a lifetime monthly pension equal to:  
For employers where ultimate Rehabilitation Plan contribution is  
\$7.35 per hour:  
\$41.10 for each year of service up to 10 years  
\$47.20 for each year of service between 10 and 20 years  
\$53.30 for each year of service between 20 and 30 years  
\$54.50 for each year of service between 30 and 32 years  
*Maximum amount is \$1,525*

**1998 Plan** Effective in 1998, a lifetime monthly pension equal to:  
For employers where ultimate Rehabilitation Plan contribution is  
\$7.80 per hour:  
\$47.20 for each year of service up to 10 years

**Application for Approval of Benefit Suspension for  
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**Section 5. Plan Sponsor Determination Relating to Reasonable Measures Taken to Avoid  
Insolvency**

\$54.20 for each year of service between 10 and 20 years  
\$61.10 for each year of service between 20 and 30 years  
\$62.10 for each year of service between 30 and 32 year  
*Maximum amount is \$1,750*

**2000 Plan**

Effective in 2000, a lifetime monthly pension equal to:  
For employers where ultimate Rehabilitation Plan contribution is  
\$8.70 per hour:

\$56.70 for each year of service up to 10 years  
\$65.00 for each year of service between 10 and 20 years  
\$73.30 for each year of service between 20 and 30 years  
\$75.00 for each year of service between 30 and 32 years  
*Maximum amount is \$2,100*

**2001 Plan**

Effective in 2001, a lifetime monthly pension equal to:  
For employers where ultimate Rehabilitation Plan contribution is  
\$9.15 per hour:

\$62.10 for each year of service up to 10 years  
\$71.20 for each year of service between 10 and 20 years  
\$80.30 for each year of service between 20 and 30 years  
\$82.00 for each year of service between 30 and 32 years  
*Maximum amount is \$2,300*

For employers where ultimate Rehabilitation Plan contribution is  
\$9.60 per hour:

\$67.20 for each year of service up to 10 years  
\$77.50 for each year of service between 10 and 20 years  
\$87.50 for each year of service between 20 and 30 years  
\$89.00 for each year of service between 30 and 32 years  
*Maximum amount is \$2,500*

For employers where ultimate Rehabilitation Plan contribution is  
\$10.05 per hour:

\$72.60 for each year of service up to 10 years  
\$83.70 for each year of service between 10 and 20 years  
\$94.50 for each year of service between 20 and 30 years  
\$96.00 for each year of service between 30 and 32 years  
*Maximum amount is \$2,700*

**2014 Plan**

Effective in 2014, a lifetime monthly pension equal to:  
For employers where ultimate Rehabilitation Plan contribution is  
\$2.28 per hour:

\$8.55 for each year of service up to 10 years  
\$9.86 for each year of service between 10 and 20 years  
\$11.13 for each year of service between 20 and 30 years  
\$11.31 for each year of service between 30 and 32 years  
*Maximum amount is \$318*

- c. Section 5.01 summarizes the reductions of adjustable benefits under §432(e)(8)
- d. There have been no prior suspensions of benefits under §432(e)(9)
- e. Measures undertaken by the plan sponsor to retain or attract contributing employers;



**Application for Approval of Benefit Suspension for  
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**Section 5. Plan Sponsor Determination Relating to Reasonable Measures Taken to Avoid  
Insolvency**

Effective October 1, 2014 the Plan implemented the Excavating and Building Material Drivers Union Local 436 Pension Fund Policy Statement on the Acceptance of Proposed Bargaining Agreements for Plan Participation which contained the following provision for accommodation of employers who otherwise cannot financially adhere to the policy of full participation in the Plan.

**Employer Hardship Circumstances**

If an otherwise non-complying contributing employer can demonstrate through the submission of objective evidence satisfactory to the Trustees that: (i) it cannot financially sustain the contribution requirements of this Policy for all or a part of any term of a collective bargaining agreement; (ii) it has not otherwise acted in a manner that undermines, either directly or indirectly, the actuarial solvency of the Plan (e.g. through 'double breast' or other non-union operation(s)); and (iii) a complete or partial withdrawal from the Pension Fund would likely result in the employer's withdrawal liability being uncollectable. Notwithstanding the foregoing, the Trustees shall be empowered to vary the terms and conditions of this Policy for employers meeting this hardship exception in their sole discretion, so as to permit an employer's continued participation in the Fund, provided that the employer's contribution rates and corresponding benefits to the employer's employees are actuarially sound.

Additionally, in 2014 the Plan Sponsor instituted a new benefit plan that accrues benefits of \$318 per month for a participant who earns thirty-two years of service.

2. The impact on plan solvency of the subsidies and ancillary benefits, if any, available to the active participants.

There are no remaining ancillary benefits for Active Participants

3. Compensation levels of active participants relative to employees in the participants' industry generally.

When taking into account the total wage package for our Active participants, the compensation levels are higher than the employees of competing trucking firms.

4. Competitive and other economic factors facing contributing employers.

Generally the Northeast Ohio economy has lagged the general national economy. Nearly all of the Plan's participants are in the construction industry and the construction industry in Northeast Ohio has been stagnant over the last twenty years. Additionally, the growth of cheap, non-union trucking has driven a number of companies to utilize those companies rather than employers who contribute to the Plan.

The burden of potential large withdrawal liability amounts have made it more difficult for contributing employers to obtain financing thereby hindering growth of their business and possible addition of active participants.

**Application for Approval of Benefit Suspension for  
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EIN/PN: 34-6665225 / 001**

**Section 5. Plan Sponsor Determination Relating to Reasonable Measures Taken to Avoid  
Insolvency**

**5.03 How Funds Factors Were Taken Into Account**

The factors listed under section 5.02 of this application were taken into account in the determination that all reasonable measures have been taken to avoid insolvency, as follows:

1. Contribution levels - The highest hourly wage rate collectively bargained by contributing employers is \$30.15 as of May 1, 2020 in the Ohio Contractors Association – Ohio Conference of Teamsters bargaining agreement May 1, 2019 to April 30, 2022. The negotiated pension contribution rate is \$10.05, 33.33% of the wage rate. In other agreements that require the same \$10.05 contribution rate the hourly wage rate is as low as \$21.98 in the S.B. Morabito Trucking – IBT Local Union No, 436 2014 to 2019 agreement, 45.7% of the wage rate.
2. Levels of Benefit accruals - The Plan Sponsor has not increased benefit levels since 2001. In 2014 a new benefit plan was established which only provides for a maximum \$318 benefit after 32 years of service.
3. Prior reductions of adjustable benefits under §432(e)(8) - See section 5.01 above.
4. Measures undertaken by the plan sponsor to retain or attract contributing employers - See section 5.02(1)e above.
5. Impact on plan solvency of the subsidies and ancillary benefits available to active participants - These are no longer available to active participants.
6. Compensation levels of active participants relative to employees in the participants' industry generally - See paragraph 1 above.
7. Competitive and other economic factors facing contributing employers - See paragraph 1 above.
8. Factors described in §432(e)(9)(C)(ii)(VIII) (the impact of benefit and contribution levels on retaining active participants and bargaining groups under the plan) and §432(e)(9)(C)(II)(IX) (the impact of past and anticipated contribution increases under the plan on employer attrition and retention levels) - The Trustees determined that increasing contribution levels further than already discussed or reducing future benefit accruals any further, will result in a loss of the members support for the pension plan.

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Section 5. Plan Sponsor Determination Relating to Reasonable Measures Taken to Avoid  
Insolvency**

**5.04 Other Factors Considered**

Many of the employers contributing to the Plan are also contributing employers in the Excavating and Building Material Drivers Union Local 436 Welfare Fund. The current contribution rate for that Welfare Fund is \$8.10 per hour. In 2019 the highest contribution rate was \$7.69 per hour. The Plan Sponsor considered the total benefit cost in relation to the wages paid by contributing employers and decided that contribution increases without a commensurate increase in benefit levels was unsupportable.

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Section 6. Other Required Information**

**6.01 Ballot**

Exhibit 6.01 contains the proposed ballot intended to satisfy the requirements of §432(e)(9)(H)(iii).

**6.02 Partition**

The plan sponsor is requesting approval from the Pension Benefit Guaranty Corporation (PBGC) of a proposed partition under section 4233 of ERISA. The proposed effective date of the partition is May 1, 2021.

Exhibit 6.02 contains a plan-year-by-plan year projection of the amount of the reduction in benefit payments attributable to the partition.

**6.03 Actuarial Assumptions Used for Projections**

Exhibit 6.03 contains:

1. A description of each of the assumptions used in the projections required under Sections 3.01, 3.02, 4.02(1), 4.02(2) and 4.03 of Revenue Procedure 2017-43.
2. Supporting evidence for the selection of these assumptions.
3. An explanation of any difference among assumptions used for various purposes throughout this application.

**6.04 Ten-Year Experience for Certain Critical Assumptions**

<b>Plan Year Beginning January 1,</b>	<b>Total Contributions</b>	<b>Contribution Base Units</b>	<b>Average Contribution Rate</b>	<b>Withdrawal Liability Payments</b>	<b>Rate of Return on Plan Assets</b>
	(1)	(2)	(3)	(4)	(5)
2010	\$ 3,750,698	693,363	5.41	\$359,734	12.98%
2011	\$ 3,923,394	672,272	5.84	977,401	-0.84%
2012	\$ 3,809,827	593,419	6.42	1,692,384	13.42%
2013	\$ 3,201,073	440,984	7.26	1,081,665	19.22%
2014	\$ 3,595,482	433,192	8.30	2,229,277	7.70%
2015	\$ 4,230,702	369,915	11.44	1,707,851	-2.37%
2016	\$ 2,824,567	326,219	8.66	2,839,452	8.06%
2017	\$ 2,796,041	304,304	9.19	2,029,222	12.93%
2018	\$ 2,705,407	275,000	9.84	2,508,140	-6.07%
2019	\$ 2,345,877	246,925	9.50	3,038,275	19.10%

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Section 6. Other Required Information**

**6.05 Demonstration of Sensitivity of Projections**

Exhibits 6.05(1)-6.05(4) contain the deterministic projections of the sensitivity of the plan's solvency ratio throughout the extended period to the following key assumptions. All other assumptions used for these projections are the same as those used under section 4.02(1) of the application, except that;

1. The assumed rate of return is reduced by 1 percentage point
2. The assumed rate of return is reduced by 2 percentage points
3. Future contribution base units decrease at a rate of 11% (the average annual rate of decrease that the plan experienced over the past ten years)
4. Future contribution base units decrease at a rate of 12% (the rate stated in 6.05(3) reduced by one percentage point)

**6.06 Projection of Funded Percentage**

Exhibit 3.02 contains the illustration, prepared on a deterministic basis, of the projected value of Fund assets, the accrued liability of the Fund (calculated using the unit credit funding method) and the funded percentage for each year in the extended period.

**6.07 Plan Sponsor Certifications Relating to Plan Amendments**

The plan sponsor certifies that if it receives final authorization to implement the suspension as described in §432(e)(9)(H)(vi) and chooses to implement the authorized suspension, then, in addition to the Plan of Benefits amendment implementing the suspension, the following Plan amendments will be timely adopted and not modified at any time thereafter before the suspension of benefits expires:

1. A plan amendment providing that in accordance with §432(e)(9)(C)(ii) the benefit suspension will cease as of the first day of the first plan year following the plan year in which the plan sponsor fails to maintain a written record of its determination that both:
  - a. All reasonable measures to avoid insolvency continue to be taken during the period of the benefit suspension.
  - 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).

**Application for Approval of Benefit Suspension for  
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**Section 6. Other Required Information**

**6.08 Whether a Plan is Described in §432(e)(9)(D)(vii)**

This is not a plan described in §432(e)(9)(D)(vii).

**6.09 Narrative Statement of Reasons Fund is in Critical and Declining Status**

Economic conditions in the Northeast Ohio area have lagged the general economy. This has resulted in diminished construction activities which reduced the need for trucking which caused contributing employers to reduce their participation in the Plan. Due to economic conditions construction companies have sought to reduce costs by contracting with cheaper, i.e. non-union, trucking firms, thereby reducing the number of union truck drivers employed. Over the last twenty years participation in the Plan has dropped precipitously:

- In 2000 147 contributing employers reported 1,117 active participants to the plan who worked 1,903,000 hours.
- In 2005 117 contributing employers reported 758 active participants to the plan who worked 1,281,000 hours.
- In 2010 85 contributing employers reported 448 active participants to the plan who worked 705,000 hours.
- In 2015 51 contributing employers reported 230 active participants to the plan who worked 380,000.
- In 2019 37 contributing employers reported 171 active participants to the plan who worked 262,000 hours.

Additionally, two large employers ceased operations without warning and did not pay their withdrawal liability due to lack of assets. In February 2013, Granger Trucking ceased operations without warning. In 2012 Granger Trucking employed 24 participants and reported over 42,000 hours to the Plan. Attempts to collect withdrawal liability in the amount of \$3,300,000 resulted in no recovery for the Plan due to lack of assets.

In 2010 Collinwood Shale and related companies Southwest Supply and Sherman Industries ceased operations. In 2008 and 2009 these companies reported over 61,000 hours to the Plan for 35 participants.

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Section 7. Identification and Background Information on the Fund**

**7.01 Board of Trustees Information**

Board of Trustees Information	
Sponsor Name	Board of Trustees of Building Material Drivers Local 436 Pension Fund
Sponsor EIN/PN	34-6665225/001
Address	6051 Carey Drive Valley View, OH 44125
Telephone	216-328-0436
Email	gboncella@ibt436funds.com
Fax	216-328-0652

**7.02 Plan Identification**

Plan Identification	
Plan Name	Building Material Drivers Local 436 Pension Fund
Plan EIN / PN	34-6665225/001

**7.03 Retired Participant Representative**

The plan sponsor was not required to appoint a retiree representative under §432(e)(9)(B)(v)(I)

**7.04 Fund's Enrolled Actuary**

Fund's Enrolled Actuary	
Actuary Name	Joseph Mara Jr.
Enrollment Number	20-06992
Company	Cheiron, Inc.
Address	200 West Monroe Street, Suite 1800 Chicago, IL 60606
Telephone	312-629-8401 x1207
Email	jmara@cheiron.us

**7.05 Power of Attorney**

Designation of power of attorney for all authorized representatives who will represent the Board of Trustees in connection with the application is provided as Exhibit 7.05.

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Section 7. Identification and Background Information on the Fund**

**7.06 Plan Documents**

The following information is provided as Exhibits 7.06a-c:

Exhibit 7.06a:	Most recent plan document and plan amendments adopted since that restatement
Exhibit 7.06b:	Most recent summary plan description (SPD) and all subsequent summaries of material modification
Exhibit 7.06c:	Most recent determination letter issued to the Fund

**7.07 Collective Bargaining and Side Agreements**

Excerpts from the collective bargaining agreement pursuant to which the Fund maintained are provided as Exhibit 7.07. The required excerpts contain language from the collective bargaining agreement that are relevant to the Fund or the proposed suspension.

**7.08 Annual Return**

Exhibit 7.08 contains the following excerpts from the most recently filed Form 5500, the Form 5500 for the Plan Year ending December 31, 2018:

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

**7.09 Rehabilitation Plan**

Exhibit 7.09 contains the most recently updated Rehabilitation Plan described in §432(e)(3).

**7.10 Valuation Reports**

Exhibit 7.10 contains the two most recent actuarial valuation reports for the Fund.

**7.11 Completed Checklist**

A completed checklist of Information required to be included in the application is provided as Exhibit 7.11.



**FOR PLAN YEAR COMMENCING JANUARY 1, 2020**

**ANNUAL CERTIFICATION OF PLAN STATUS UNDER SECTION 432(b) OF THE  
INTERNAL REVENUE CODE, (SEC. 305(b) OF THE EMPLOYEE RETIREMENT  
INCOME SECURITY ACT OF 1974)**

**FOR**

**BUILDING MATERIAL DRIVERS  
LOCAL 436 PENSION FUND**

**EIN: 34-6665225**

**PN: 001**

**Fund Contact Information**

**Gary A. Boncella**

**Plan Administrator**

**Building Material Drivers**

**Local 436 Pension Fund**

**6051 Carey Drive**

**Valley View, OH 44125-4259**

**(216) 328-0436**

**March 30, 2020**



Classic Values, Innovative Advice

Board of Trustees of the  
Building Material Drivers Local 436 Pension Fund  
6051 Carey Drive  
Valley View, OH 44125

March 30, 2020  
EIN: 34-6665225  
PN: 001  
Tel: (216) 328-0436

***Re: Annual Certification of Plan Status under Internal Revenue Code §432(b) and Employee Retirement Income Security Act of 1974 §305(b)***

Dear Board of Trustees:

## **CERTIFICATION**

As required by Section 432(b)(3) of the Internal Revenue Code (“Code”) and Section 305(b)(3) of the Employee Retirement Income Security Act of 1974 (“ERISA”), we certify, for the Plan year beginning January 1, 2020, that the Fund is classified as being in Critical and Declining status as this term is defined in Section 432(b) of the Code and Section 305(b) of ERISA as amended by the Multiemployer Pension Reform Act of 2014. This certification also takes into account the funding relief under Section 431(b)(8)(A) and 431(b)(8)(B) of the Code and Section 304(b)(8)(A) and 304(b)(8)(B) of ERISA.

The rehabilitation period began on January 1, 2012. We certify that the Fund is making scheduled progress in meeting the requirements of its Rehabilitation Plan as discussed in Appendix III.

This certification has been prepared in accordance with the requirements of Section 432 of the Code, Section 305 of ERISA, and generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained herein. This report does not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

This certification was prepared for the Trustees of the Pension Fund and the Secretary of the Treasury. It only certifies the condition of the Fund under Code Section 432 as added by the Pension Protection Act of 2006 and should be used only for that purpose. Other users of this report are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to such other users.

In preparing this certification, we have relied on information supplied by the Fund Office and the Board of Trustees. This information includes, but is not limited to, fund provisions, employee data, financial information, and expectations of future industry activity. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23.

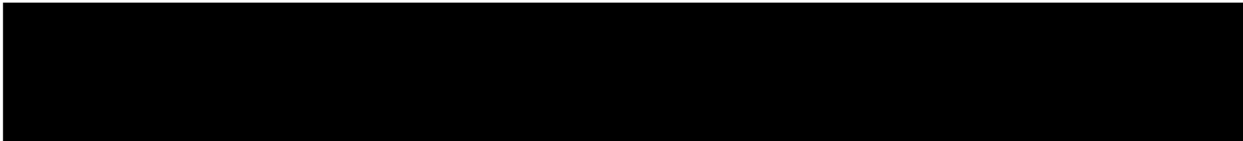
Exhibit 3.01a  
Actuarial Certification of Status for the 2020 Plan Year (Checklist #5)

Board of Trustees  
March 30, 2020  
Page 2

Future analysis may differ significantly from the analysis presented in this certification letter due to such factors as the following: plan experience differing from that anticipated by the assumptions; changes in assumptions; and changes in plan provisions or applicable law.

The attached appendices show the results for the statutory tests and describe the methodologies and assumptions used to perform the tests. Please contact the undersigned with any questions.

Sincerely,

A large black rectangular redaction box covering the signature area of the undersigned.

*Consulting Actuary*

*Consulting Actuary*

Attachments: Appendix I: Tests of Fund Status  
Appendix II: Detail for Actuarial Certification  
Appendix III: Scheduled Progress  
Appendix IV: Methodology and Assumptions

cc: Secretary of the Treasury

## APPENDIX I – TESTS OF FUND STATUS

### Condition Met?

**Critical Status** – The Fund, which has a 431(d) five-year automatic extension, was certified as Critical last year and will remain Critical if it meets either of the 2 following conditions:

1 The Fund is projected to have an accumulated funding deficiency for the current Plan year or the next nine plan years. YES

2 The Fund is projected to become insolvent within 30 years. YE

**Critical and Declining Status** – The Fund will be certified as Critical and Declining if it meets test 3.

3 The Fund is Critical and projected to become insolvent within the current or the next 19 (since the funding level is below 80%) plan years. YE

The Fund is certified to be in Critical and Declining status for 2020.

## APPENDIX II – DETAIL FOR ACTUARIAL CERTIFICATION

**A. PROJECTION OF CREDIT BALANCE (Used for Test 1)**  
*(Ignores 431(d) 5-year automatic extension)*

Date	Credit	adjusted with interest to end of year		
	Balance	Charges	Credits	Contributions
1/1/2020	\$ (25,612,607)	\$ 13,735,901	\$ 1,549,951	\$ 3,138,129
1/1/2021	\$ (36,453,310)			

Because a funding deficiency is projected at year end, there is no need to project the funding standard account credit balance any further.

The projected funding standard account is based on the methods and assumptions set out in Appendix IV. The projection of future contributions is based on 225,000 hours per year, the Trustees' estimate of future industry activity.

**B. SOLVENCY PROJECTION (Used for Tests 2 and 3)**  
*(Assumes contribution increases continue in accordance with the Rehabilitation Plan)*

The chart below shows a projection of the Market Value of Assets of the fund. The projection indicates that the Fund will run out of assets before 2024 (within four years).

Date	Market Value Assets	Projected Contributions	Projected Benefits and Expenses	Projected Investment Earnings
1/1/2020	24,772,249	3,033,744	9,910,718	1,497,434
1/1/2021	19,392,709	2,912,126	9,999,713	1,113,620
1/1/2022	13,418,742	2,897,860	10,038,515	693,616
1/1/2023	6,971,704	2,897,860	10,253,474	234,927
1/1/2024	0	2,897,860	10,400,212	0
1/1/2025	0	2,812,544	10,464,717	0
1/1/2026	0	2,748,633	10,563,409	0
1/1/2027	0	2,686,917	10,592,859	0

### **APPENDIX III – SCHEDULED PROGRESS**

IRC §432(e)(3)(A)(i) and (ii) require that a Critical plan (as defined in IRC §432(b)(2)) adopt a Rehabilitation Plan that, based on reasonable assumptions, projects that it will not emerge from Critical status by the end of its rehabilitation period, or that such plan take “all reasonable measures” which enable it to emerge at a later date or which forestall its possible insolvency.

In the absence of guidance and direction from the Internal Revenue Service in this regard, the Plan’s Board of Trustees believes that its actions to date constitute “all reasonable measures.” Currently, all active employers have adopted this Rehabilitation Plan for the duration of their most recent collective bargaining agreement. On this basis we believe that the Fund is making scheduled progress in meeting the requirements of its Rehabilitation Plan as discussed in IRC §432(b)(3)(A)(ii).

## APPENDIX IV – METHODOLOGY AND ASSUMPTIONS

### A. Actuarial Assumptions

#### 1. Rate of Investment Return

Funding and disclosure purposes: 7.00% compounded annually  
All investment returns are net of investment expenses.

#### 2. Mortality

Healthy Lives: RP-2014 adjusted to 2006 Blue Collar Mortality, projected using the MP-2016 improvement scale with base year 2006 and generational mortality improvements.

Disabled Lives: RP-2014 Disabled Retiree Mortality, projected using the MP-2014 improvement scale with base year 2014 and generational mortality improvements

#### 3. Rates of Turnover

Termination rates due to disability that were used when the Plan provided a disability benefit are added to rates for termination of employment for reasons other than death, disability, or retirement. Sample rates:

<u>Age</u>	<u>Rate of Termination</u>	<u>Rate of Disability</u>	<u>Total Turnover Rate</u>
25	17.24%	0.09%	17.33%
35	14.88%	0.13%	15.01%
45	10.88%	0.34%	11.22%
55	4.45%	1.16%	5.61%

#### 4. Retirement

<u>Age</u>	<u>Rate</u>
62	20.0%
63-64	12.5%
65	17.5%
66	100.0%

#### 5. Late Retirement

We have assumed that Suspension of Benefits Notices have been given to all participants who worked beyond their Normal Retirement Date.

#### 6. Administrative Expenses

\$670,000 assumed payable at the beginning of the year.

#### 7. Marriage Rate

For participants not receiving benefits, 80% of the male participants and 50% of the female participants will have a surviving spouse with wives assumed to be three years younger than husbands.

## **APPENDIX IV – METHODOLOGY AND ASSUMPTIONS**

### **B. Actuarial Methods**

#### **1. Asset Valuation Method**

The valuation assets are determined as the market value less (1) 80% of the investment gain/(loss) during the preceding year, less (2) 60% of the investment gain/(loss) during the second preceding year, less (3) 40% of the investment gain/(loss) during the third preceding year, less (4) 20% of the investment gain/(loss) for the fourth preceding year. However, the 2008 investment loss is recognized at a rate of 10% per Plan year due to PRA 2010 Funding Relief. For the purpose of this calculation, the gain/(loss) is defined as the difference between the actual and the expected return (based on the valuation interest rate) on the Market Value of Assets during the year.

The actuarial value is taken to be the adjusted market value as described above, but subject to a 20% corridor limit around the actual market value; that is, the actuarial value is never greater than 120% of market value, not less than 80% of market value.

#### **2. Funding Method: Unit Credit Cost Method**

The cost method for valuation of liabilities used for this valuation is the Unit Credit method. This is one of a family of valuation methods known as an accrued benefits method. The chief characteristic of an accrued benefits method is that the funding pattern follows the pattern of benefit accrual. Under the Unit Credit Actuarial cost method, the normal cost is determined as that portion of each participant's benefit attributable to service expected to be earned in the upcoming plan year. The Actuarial Liability, which is determined for each participant as of each valuation date, represents the Actuarial Present Value of the participant's current accrued benefit as of the valuation date.

One of the significant effects of this funding method is that, depending on the demographics of the population, the Unit Credit method tends to produce lower costs in the early years. There is a possibility that as the population ages, the annual cost could increase over time.



**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Exhibit 3.01b**  
**Actuarial Certification of Status for the 2020 Plan Year (Checklist #5)**

<u>Year</u>	<u>BoY Assets</u>	<u>Contributions</u>	<u>Withdrawal</u>		<u>Benefit Payments</u>					<u>Investment Rate</u>	<u>Investment Return</u>	<u>EoY Assets</u>	<u>Available Resources</u>	<u>Solvency Ratio</u>
			<u>Liability Payments</u>	<u>Administrative Expenses</u>	<u>Retirees and Beneficiaries</u>	<u>Terminated Vested Participants</u>	<u>Active</u>	<u>Future New Entrants</u>	<u>Total Benefit Payments</u>					
2020	24,772,249	1,970,946	1,062,798	713,845	8,482,117	408,276	306,479	-	9,196,873	7.00%	1,497,434	19,392,709	28,589,583	3.11
2021	19,392,709	1,970,946	941,180	735,260	8,201,615	576,151	486,688	-	9,264,453	7.00%	1,113,620	13,418,742	22,683,195	2.45
2022	13,418,742	1,970,946	926,914	757,318	7,914,065	721,786	645,346	-	9,281,197	7.00%	693,616	6,971,704	16,252,900	1.75
2023	6,971,704	1,970,946	926,914	780,038	7,621,402	1,039,615	812,419	-	9,473,436	7.00%	234,927	-	9,324,453	0.98

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Exhibit 3.02  
Certification of Avoiding Insolvency (Checklist Item #6, #9, & #28)**

Year	BoY Assets	Contributions	Benefit Payments			Terminated					Total Benefit Payments	Investment Rate	Investment Return	EoY Assets	Available Resources	Solvency Ratio	Accrued Liability	Funded Percentage
			WL Payments	WL Payments	Administrative	Vested				Future New								
			Prior	Future	Expenses	Retirees	Beneficiaries	Participants	Actives	Entrants								
2020	18,600,185	1,345,430	1,444,925	91,751	626,147	5,587,435	687,168	778,466	101,318	-	7,154,387	16.92%	2,748,888	16,450,645	23,605,032	3.30	108,513,350	17%
2021	16,450,645	1,724,361	1,217,429	242,286	595,987	4,509,514	514,739	326,666	188,690	-	5,539,610	6.11%	916,302	14,415,427	19,955,036	3.60	108,976,726	15%
2022	14,415,427	1,541,800	1,202,495	334,499	460,700	3,028,396	318,521	62,944	201,898	-	3,611,759	6.11%	850,876	14,272,638	17,884,396	4.95	33,933,490	42%
2023	14,272,638	1,385,925	1,157,846	334,499	470,756	2,900,551	302,032	81,520	267,138	-	3,551,241	6.11%	837,635	13,966,547	17,517,788	4.93	32,789,879	44%
2024	13,966,547	1,241,238	1,103,511	334,499	481,707	2,770,050	285,569	102,248	320,703	-	3,478,569	6.11%	814,801	13,500,319	16,978,888	4.88	31,607,108	44%
2025	13,500,319	1,115,647	1,103,511	334,499	493,582	2,638,222	269,457	118,998	362,511	499	3,389,685	6.11%	784,852	12,955,560	16,345,245	4.82	30,397,178	44%
2026	12,955,560	1,115,647	1,029,858	334,499	507,797	2,505,049	253,687	137,202	403,557	1,767	3,301,263	6.11%	751,584	12,378,088	15,679,351	4.75	29,176,912	44%
2027	12,378,088	1,115,647	1,000,062	334,499	522,849	2,371,099	238,319	145,407	445,377	2,540	3,202,743	6.11%	717,916	11,820,621	15,023,363	4.69	27,962,691	44%
2028	11,820,621	1,115,647	990,420	334,499	538,741	2,236,988	223,412	151,268	501,464	3,481	3,116,613	6.11%	685,678	11,291,511	14,408,124	4.62	26,765,386	44%
2029	11,291,511	1,115,647	981,128	334,499	555,475	2,103,359	209,014	153,163	539,088	4,808	3,009,432	6.11%	655,792	10,813,670	13,823,102	4.59	25,573,363	44%
2030	10,813,670	1,115,647	882,503	334,499	573,064	1,970,902	195,162	161,960	584,353	7,811	2,920,188	7.35%	752,909	10,405,976	13,326,164	4.56	24,408,767	44%
2031	10,405,976	1,115,647	662,182	334,499	578,887	1,840,356	181,878	164,039	614,771	11,817	2,812,861	7.35%	718,654	9,845,210	12,658,071	4.50	23,254,964	45%
2032	9,845,210	1,115,647	651,072	334,499	574,520	1,712,475	169,169	164,606	647,805	16,829	2,710,885	7.35%	680,876	9,341,899	12,052,784	4.45	22,131,415	44%
2033	9,341,899	1,115,647	622,046	334,499	553,289	1,587,958	157,037	168,862	666,376	22,348	2,602,580	7.35%	647,511	8,905,733	11,508,313	4.42	21,034,702	44%
2034	8,905,733	1,115,647	534,969	334,499	530,674	1,467,404	145,483	174,415	671,491	28,493	2,487,286	7.35%	617,287	8,490,174	10,977,460	4.41	19,973,251	45%
2035	8,490,174	1,115,647	534,969	334,499	508,448	1,351,292	134,500	170,559	681,090	36,420	2,373,861	7.35%	591,641	8,184,621	10,558,482	4.45	18,956,759	45%
2036	8,184,621	1,115,647	534,969	334,499	487,215	1,239,932	124,076	173,290	681,935	46,110	2,265,344	7.35%	573,866	7,991,044	10,256,388	4.53	17,986,440	46%
2037	7,991,044	1,115,647	534,969	334,499	464,274	1,133,518	114,194	168,123	675,290	57,109	2,148,234	7.35%	564,694	7,928,345	10,076,579	4.69	17,060,450	47%
2038	7,928,345	1,115,647	391,067	334,499	442,249	1,032,172	104,836	166,843	662,138	69,676	2,035,664	7.35%	559,749	7,851,394	9,887,058	4.86	16,190,781	49%
2039	7,851,394	1,115,647	247,165	334,499	425,138	935,940	95,983	165,284	665,796	84,624	1,947,626	7.35%	552,695	7,728,636	9,676,262	4.97	15,376,677	51%
2040	7,728,636	1,115,647	123,582	212,164	405,506	844,836	87,621	160,468	652,933	101,113	1,846,970	7.35%	539,137	7,466,690	9,313,660	5.04	14,596,654	53%
2041	7,466,690	1,115,647	-	92,212	388,445	758,884	79,737	156,295	646,438	117,810	1,759,165	7.35%	514,878	7,041,817	8,800,982	5.00	13,866,149	54%
2042	7,041,817	1,115,647	-	-	371,743	678,115	72,317	151,647	635,862	135,242	1,673,182	7.35%	484,028	6,596,567	8,269,749	4.94	13,175,334	53%
2043	6,596,567	1,115,647	-	-	355,926	602,548	65,346	146,199	623,858	153,707	1,591,659	7.35%	454,816	6,219,445	7,811,104	4.91	12,525,104	53%
2044	6,219,445	1,115,647	-	-	339,615	532,200	58,810	141,005	602,106	173,615	1,507,735	7.35%	430,716	5,918,457	7,426,192	4.93	11,913,685	52%
2045	5,918,457	1,115,647	-	-	325,445	467,079	52,694	135,786	583,390	195,652	1,434,602	7.35%	411,745	5,685,802	7,120,404	4.96	11,346,279	52%
2046	5,685,802	1,115,647	-	-	313,097	407,165	46,987	129,920	568,034	218,581	1,370,686	7.35%	397,398	5,515,064	6,885,750	5.02	10,814,804	53%
2047	5,515,064	1,115,647	-	-	299,848	352,430	41,684	123,242	543,460	241,579	1,302,395	7.35%	387,792	5,416,260	6,718,655	5.16	10,312,241	53%
2048	5,416,260	1,115,647	-	-	287,830	302,803	36,784	116,647	519,453	264,716	1,240,403	7.35%	383,201	5,386,875	6,627,278	5.34	9,845,139	55%
2049	5,386,875	1,115,647	-	-	277,276	258,174	32,285	110,231	497,272	287,914	1,185,877	7.35%	383,391	5,422,760	6,608,637	5.57	9,409,465	57%
2050	5,422,760	1,115,647	-	-	266,683	218,381	28,183	103,244	470,260	311,251	1,131,320	7.35%	388,380	5,528,784	6,660,105	5.89	8,999,697	60%
2051	5,528,784	1,115,647	-	-	257,051	183,209	24,468	96,246	443,194	334,617	1,081,734	7.35%	398,311	5,703,957	6,785,691	6.27	8,617,678	64%
2052	5,703,957	1,115,647	-	-	248,730	152,413	21,124	89,195	419,108	357,028	1,038,867	7.35%	413,034	5,945,039	6,983,907	6.72	8,260,210	69%
2053	5,945,039	1,115,647	-	-	241,201	125,711	18,139	82,205	395,018	379,049	1,000,122	7.35%	432,424	6,251,786	7,251,909	7.25	7,922,061	75%
2054	6,251,786	1,115,647	-	-	234,635	102,797	15,497	75,330	371,748	400,971	966,343	7.35%	456,426	6,622,881	7,589,225	7.85	7,600,320	82%

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Exhibit 4.01a-4.01h**

**Demonstration of Federal Limitations on Individual Suspension (Checklist Item #8)**

Data	4.01a	4.01b	4.01c	4.01d	4.01e	4.01f	4.01g	4.01h
1 Rec ID	171	197	3	1198	336	416	313	1337
2 Status	Retired	Beneficiary	Active	Term Vested	Disability	Retired	Beneficiary	Term Vested
3 Date of Birth	12/24/1950	8/30/1962	8/20/1979	11/17/1963	3/25/1952	3/24/1943	8/16/1945	4/11/1945
4 Spouse Date of Birth	6/26/1951	12/5/1936					12/31/1942	
5 Effective Date	5/1/2021	5/1/2021	5/1/2021	5/1/2021	5/1/2021	5/1/2021	5/1/2021	5/1/2021
6 Normal Retirement Date			9/1/2044	12/1/2028				1/1/2020
7 Form of Payment	JS	LA	LA	LA	LA	LA	LA	LA
8 Credited Service at Effective Date	32.0000	30.7000	12.8111	26.3000	20.9860	31.2000	25.7000	5.8000
9 Accrued Benefit at Effective Date	\$ 2,148.24	\$ 1,011.92	\$ 794.53	\$ 2,158.35	\$ 1,533.27	\$ 2,623.20	\$ 960.08	\$ 421.08
<b>Participant Calculations</b>								
10 Plan's Accrual Rate ([9]/[8])	67.13	32.96	62.02	82.07	73.06	84.08	37.36	72.60
11 PBGC Accrual Rate <sup>1</sup>	35.75	27.47	35.75	35.75	35.75	35.75	30.77	35.75
12 PBGC Guarantee ([8]*[11])	1,144.00	843.37	458.00	940.23	750.25	1,115.40	790.74	207.35
13 110% PBGC Guarantee (110%*[12], not more than [9])	1,258.40	927.70	503.80	1,034.25	825.27	1,226.94	869.81	228.09
14 Maximum Suspendable ([9]-[13], \$0 for Disabled)	889.84	84.22	290.73	1,124.10	-	1,396.26	90.27	192.99
15 Age for MPRA Limitation <sup>2</sup>	70.42	58.75	41.75	57.50	69.17	78.17	75.75	76.08
16 Age Based Protection <sup>3</sup>	0.00%	0.00%	0.00%	0.00%	100.00%	63.33%	15.00%	21.67%
17 Proposed Benefit ([9]-[14]*(1-[16]))	\$ 1,258.40	\$ 927.70	\$ 503.80	\$ 1,034.25	\$ 1,533.27	\$ 2,111.24	\$ 883.35	\$ 269.90
<b>Beneficiary Calculations (if applicable)</b>								
18 Survivor's Benefit	\$ 1,074.12							
19 Plan's Accrual Rate ([18]/[8])	33.57							
20 PBGC Accrual Rate <sup>4</sup>	27.92							
21 PBGC Guarantee ([8]*[20])	893.59							
110% PBGC Guarantee								
22 (110%*[12], not more than [18]) Maximum Suspendable	982.95							
23 ([18]-[22], \$0 for Disabled)	91.17							
24 Proposed Benefit ([18]-[23]*(1-[16]))	\$ 982.95							

<sup>1</sup> 100% of first \$11 plus 75% of the next \$33 (based on [10])

<sup>2</sup> Age on the last day of the month that contains the proposed effective date

<sup>3</sup> Number of months from [15] to age 80, divided by 60

<sup>4</sup> 100% of first \$11 plus 75% of the next \$33 (based on [19])

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Exhibit 4.04(1a)**

**Effect of Proposed Suspension in Aggregate and by Group (Checklist Item #12)**

<b><u>Status</u></b>	<b><u>Participant Count</u></b>	<b><u>Average Monthly Benefit Before Suspension</u></b>	<b><u>Average Monthly Benefit After Suspension</u></b>	<b><u>Aggregate Present Value of Reduction in Benefits</u></b>
Retired	638	907.02	704.91	14,155,985
Beneficiary	235	331.77	322.40	258,416
Disability	33	1,243.55	1,243.55	-
QDRO	25	382.96	294.01	288,254
Term Vested	525	609.97	382.38	9,646,000
Active	116	930.10	496.35	3,618,712
<b>Total</b>	<b>1,572</b>	<b>4,405.36</b>	<b>3,443.60</b>	<b>27,967,367</b>

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Exhibit 4.04(1b)**

**Distribution of Proposed Suspension by Group (Checklist Item #12)**

<b>Status</b>	<b>Headcount by Benefit Reduction Percentage</b>											<b>Total</b>
	<b>0%</b>	<b>&gt;0% and ≤10%</b>	<b>&gt;10% and ≤20%</b>	<b>&gt;20% and ≤30%</b>	<b>&gt;30% and ≤40%</b>	<b>&gt;40% and ≤50%</b>	<b>&gt;50% and ≤60%</b>	<b>&gt;60% and ≤70%</b>	<b>&gt;70% and ≤80%</b>	<b>&gt;80% and ≤90%</b>	<b>&gt;90% and ≤100%</b>	
Retired	242	148	47	40	50	91	19	1	0	0	0	<b>638</b>
Beneficiary	188	45	1	0	0	1	0	0	0	0	0	<b>235</b>
Disability	33	0	0	0	0	0	0	0	0	0	0	<b>33</b>
QDRO	5	7	3	0	3	3	3	0	1	0	0	<b>25</b>
Term Vested	63	93	59	38	87	167	17	0	0	0	1	<b>525</b>
Active	4	15	12	6	9	43	27	0	0	0	0	<b>116</b>
<b>Total</b>	<b>535</b>	<b>308</b>	<b>122</b>	<b>84</b>	<b>149</b>	<b>305</b>	<b>66</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1,572</b>

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Exhibit 4.05  
Participant Notice (Checklist Item #13)**

Fund Office: 6051 Carey Drive • Valley View, OH 44125  
Phone: (216) 328-0436 / Fax: (216) 328-0652

**NOTICE OF A PROPOSED REDUCTION OF YOUR PENSION BENEFITS**

On June 30, 2020, the Board of Trustees of the Building Material Drivers Local 436 Pension Fund (“Plan”) submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Plan. This type of benefit reduction is allowed by the Federal law called the Multiemployer Pension Reform Act of 2014.

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

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

**1. WHY IS THE BOARD OF TRUSTEES PROPOSING TO REDUCE BENEFITS?**

The Plan’s actuary estimated that, unless benefits are reduced, the Plan will not have enough money to pay benefits in the year 2023. This estimate is based on how much money the Plan’s actuary expects the Plan to receive and to pay out each year. The Plan’s actuary estimated that, with the reduction of benefits that the Board of Trustees has proposed, the Plan should not run out of money.

**2. WHAT WILL HAPPEN IF THE PLAN RUNS OUT OF MONEY?**

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

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

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Exhibit 4.05**

**Participant Notice (Checklist Item #13)**

**3. HOW DID THE BOARD OF TRUSTEES DECIDE WHOSE BENEFITS TO REDUCE AND BY HOW MUCH?**

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

- The total reduction in everybody's benefits must be estimated to be large enough to keep the plan from running out of money, but not larger than needed to do that.
- Your monthly benefit and the benefit of your beneficiary cannot be reduced below 110% of the amount guaranteed by PBGC.
- Disability benefits (as defined under the Plan) cannot be reduced.
- The benefits of people who are at least 80 years old on May 31, 2021 and their beneficiaries cannot be reduced.
- The benefits of people who are at least 75 years old on May 31, 2021 and their beneficiaries are partially protected, and the closer the person is to age 80 the less the benefits can be reduced.
- The reduction of benefits must be spread fairly among the people who have a pension benefit under the Plan.

The Board of Trustees took into account many factors when making their decision. However, the overriding factor was that even the maximum allowable reductions under law were not enough to prevent the Plan from running out of money. Consequently, the Board of Trustees has also applied for a partition which should prevent the Plan from running out of money when combined with the proposed benefit reductions.

**4. WHAT ARE THE PROPOSED REDUCTIONS IN BENEFITS?**

The Board of Trustees proposes the following reduction in benefits effective May 1, 2021:

The benefits of all Plan Participants, except as indicated in Section 3 above, will be reduced to 110% of the PBGC guarantee, which is the maximum reduction in benefits allowable by law. The PBGC's guarantee is equal to 100% of the first \$11 of the plan's monthly benefit rate, plus 75% of the next \$33 of the monthly benefit rate, times your years of benefit service. **The last page of this notice provides a dollar estimate of how the proposed reduction applies to you.**

The proposed suspension will remain in effect indefinitely and will not expire by its own terms. These reductions, combined with a partition, are projected to keep the plan from running out of money.

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Exhibit 4.05  
Participant Notice (Checklist Item #13)**

**5. WHAT COMES NEXT?**

*Approval or Denial of the Application by the Treasury Department*

The Treasury Department will review the application to see whether it meets all of the legal requirements under Federal Law. If the application meets all of those requirements, the Treasury Department is required to approve the application. If the application does not meet the legal requirements, the Treasury Department will deny the application. The Treasury Department will have until February 10, 2021 to make a decision.

*You Can Get Information from the Treasury Department*

More information about the proposed benefit reductions and a copy of the application will be available at [www.treasury.gov/mpra](http://www.treasury.gov/mpra).

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

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

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

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

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



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*You can Comment on the Application to Reduce Benefits*

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

*Retiree Representative*

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

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

*Vote on the Proposed Benefit Reduction*

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

*Your Right to See Plan Documents*

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

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements).
- The Plan's most recent summary plan description (SPD or plan brochure) and any summaries of material modifications.
- The Plan's Form 5500 annual reports, including the accountant's report and audited financial statements, filed with the U.S. Department of Labor during the last six years.
- The annual funding notices furnished by the Plan during the last six years.
- Actuarial reports, including reports prepared in anticipation of the benefit reductions, furnished to the Plan within the last six years.
- The Plan's current rehabilitation plan, including contribution schedules, and, if the proposed benefit reduction goes into effect, annual plan-sponsor determinations that all

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reasonable measures to avoid running out of money continue to be taken and that the Plan would run out of money if there were no benefit reductions.

- Any quarterly, semi-annual, or annual financial reports prepared for the Plan by an investment manager, fiduciary, or other advisor and furnished to the plan within the last six years.

The Plan Administrator may charge you the cost per page to the Plan for the cheapest way of coping documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return / Report of Employee Benefit Plan is also available free of charge at [www.efast.dol.gov](http://www.efast.dol.gov). Some of the documents also may be available for examination, without charge, at the Plan Administrator's office or Union Hall.

*Your Right to Challenge Incorrect Calculations*

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

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

6051 Carey Drive  
Valley View, OH 44125  
(216) 328-0436  
[gboncella@ibt436funds.com](mailto:gboncella@ibt436funds.com)

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Exhibit 4.05a**

**Participant Notice Calculations (Checklist Item #13)**

**HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED<sup>1</sup>**

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

**In-Pay (Retiree – J&S Payment Form)**

Your current monthly benefit is \$2,148.24. Under the proposed reduction your monthly benefit will be reduced to \$1,258.40 beginning on May 1, 2021. The proposed reduction is intended to be permanent. Without a reduction the plan will run out of money, at which point your benefit will be reduced to \$1,144.00.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This estimate was prepared assuming that the proposed reduction starts on May 1, 2021. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different. For more information please contact the Fund office at (216) 328-0436.

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

- Plan records show that you have 32.00 years of Credited Service associated with your benefit.
- You will be 70 years and 5 months old as of May 31, 2021, based on your December 24, 1950 date of birth.
- No portion of your benefit is based on a disability pension in this Plan.

**Your Estimated Monthly Benefit**

(a) Monthly Retirement Benefit, <b>Before</b> Reduction	\$ 2,148.24
(b) Credited Service	32.00
(c) Accrual Rate, <b>Before</b> Reduction: (a) ÷ (b)	\$ 67.13
(d) PBGC Guarantee Accrual Rate, equal to 100% of (c) up to \$11, plus 75% of the portion of (c) between \$11 and \$44	\$ 35.75
(e) PBGC Guaranteed Benefit: (b) × (d)	\$ 1,144.00
(f) 110% of PBGC Guaranteed Benefit: 1.10 × (e)	\$ 1,258.40
(g) Amount of Reduction: (a) – (f)	\$ 889.84
(h) Monthly Retirement Benefit payable during your lifetime, <b>After</b> Reduction: (f)	<b>\$ 1,258.40</b>

**Estimate of 50% Survivor's Annuity**

(i) 50% Survivor's Benefit, <b>Before</b> Reduction: Equal to 50% × (a)	\$ 1,074.12
(j) Accrual Rate, <b>Before</b> Reduction: (i) ÷ (b)	\$ 33.57
(k) PBGC Guarantee Accrual Rate, per formula in (d) above:	\$ 27.92
(l) PBGC Guaranteed Benefit: (b) × (k)	\$ 893.59
(m) 110% of PBGC Guaranteed Benefit: 1.10 × (l)	\$ 982.95
(n) Amount of Reduction: (i) – (m)	\$ 91.17
(o) 50% Survivor's Benefit, <b>After</b> Reduction: Equal to (m)	<b>\$ 982.95</b>

**PBGC Guaranteed Benefits**

If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by the PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be \$1,144.00.

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

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**Exhibit 4.05b**

**Participant Notice Calculations (Checklist Item #13)**

**HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED<sup>1</sup>**

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

**In-Pay (Beneficiary)**

Your current monthly benefit is \$1,011.92. Under the proposed reduction your monthly benefit will be reduced to \$927.70 beginning on May 1, 2021. The proposed reduction is intended to be permanent. Without a reduction the plan will run out of money, at which point your benefit will be reduced to \$843.37.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This estimate was prepared assuming that the proposed reduction starts on May 1, 2021. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

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

- Plan records show that you have 30.07 Service Credits associated with your benefit.
- You will be 58 years and 9 months old as of May 31, 2021, based on your August 30, 1962 date of birth.
- No portion of your benefit is based on a disability pension in this Plan.

**Your Estimated Monthly Benefit**

(a) Monthly Retirement Benefit, <b>Before</b> Reduction	\$ 1,011.92
(b) Credited Service	30.07
(c) Accrual Rate, <b>Before</b> Reduction: (a) ÷ (b)	\$ 32.96
(d) PBGC Guarantee Accrual Rate, equal to 100% of (c) up to \$11, plus 75% of the portion of (c) between \$11 and \$44	\$ 27.47
(e) PBGC Guaranteed Benefit: (b) × (d)	\$ 843.37
(f) 110% of PBGC Guaranteed Benefit: 1.10 × (e)	\$ 927.70
(g) Amount of Reduction: (a) – (f)	\$ 84.22
(h) Monthly Retirement Benefit payable during your lifetime, <b>After</b> Reduction: (f)	<b>\$ 927.70</b>

**PBGC Guaranteed Benefits**

If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by the PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be \$843.37.

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

**Application for Approval of Benefit Suspension for  
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**Exhibit 4.05c**

**Participant Notice Calculations (Checklist Item #13)**

**HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED<sup>1</sup>**

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

**Not In-Pay (Active Participant)**

If you start receiving your benefit on your Normal Retirement Date of September 1, 2044 with no additional accruals beyond January 1, 2020, in the form of a Single Life Annuity, your monthly benefit without the proposed reduction is estimated to be \$794.53. Under the proposed reduction your monthly benefit in the same form would be reduced to \$503.80. The proposed reduction is intended to be permanent. Without a reduction the plan will run out of money, at which point your benefit will be reduced to \$458.00.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This estimate was prepared assuming that the proposed reduction starts on May 1, 2021. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

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

- Plan records show that you have 12.811 Service Credits as of January 1, 2020 associated with your benefit.
- You will be 41 years and 9 months old as of May 31, 2021, based on your August 20, 1979 date of birth.
- No portion of your benefit is based on a disability pension in this Plan.

**Your Estimated Monthly Benefit**

(a) Monthly Retirement Benefit, <b>Before</b> Reduction	\$ 794.53
(b) Credited Service	12.81
(c) Accrual Rate, <b>Before</b> Reduction: (a) ÷ (b)	\$ 62.02
(d) PBGC Guarantee Accrual Rate, equal to 100% of (c) up to \$11, plus 75% of the portion of (c) between \$11 and \$44	\$ 35.75
(e) PBGC Guaranteed Benefit: (b) × (d)	\$ 458.00
(f) 110% of PBGC Guaranteed Benefit: 1.10 × (e)	\$ 503.80
(g) Amount of Reduction: (a) – (f)	\$ 290.73
(h) Monthly Retirement Benefit payable during your lifetime, <b>After</b> Reduction: (f)	<b>\$ 503.80</b>

**PBGC Guaranteed Benefits**

If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by the PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be \$458.00.

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

**Application for Approval of Benefit Suspension for  
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**Exhibit 4.05d**

**Participant Notice Calculations (Checklist Item #13)**

**HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED<sup>1</sup>**

This estimate of the effect of the proposed reduction of benefits has been prepared for:  
**Not In-Pay (Term Vested)**

If you start receiving your benefits on your Normal Retirement Date of December 1, 2028 with no additional accruals beyond January 1, 2020, in the form of a Single Life Annuity, your monthly benefit without the proposed reduction would be \$2,158.35. Under the proposed reduction your monthly benefit in the same form would be reduced to \$1,034.25. The proposed reduction is intended to be permanent. Without a reduction the plan will run out of money, at which point your benefit will be reduced to \$940.23.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This estimate was prepared assuming that the proposed reduction starts on May 1, 2021. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

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

- Plan records show that you have 26.30 Service Credits associated with your benefit.
- You will be 57 years and 6 months old as of May 31, 2021, based on your November 17, 1963 date of birth.
- No portion of your benefit is based on a disability pension in this Plan.

**Your Estimated Monthly Benefit**

(a) Monthly Retirement Benefit, <b>Before</b> Reduction	\$ 2,158.35
(b) Credited Service	26.30
(c) Accrual Rate, <b>Before</b> Reduction: (a) ÷ (b)	\$ 82.07
(d) PBGC Guarantee Accrual Rate, equal to 100% of (c) up to \$11, plus 75% of the portion of (c) between \$11 and \$44	\$ 35.75
(e) PBGC Guaranteed Benefit: (b) × (d)	\$ 940.23
(f) 110% of PBGC Guaranteed Benefit: 1.10 × (e)	\$ 1,034.25
(g) Amount of Reduction: (a) – (f)	\$ 1,124.10
(h) Monthly Retirement Benefit payable during your lifetime, <b>After</b> Reduction: (f)	<b>\$ 1,034.25</b>

**PBGC Guaranteed Benefits**

If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by the PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be \$940.23.

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

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**Exhibit 4.05e  
Participant Notice Calculations (Checklist Item #13)**

**HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED<sup>1</sup>**

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

**No Reduction (Disabled)**

Your monthly benefit of \$1,533.27 would not change under the proposed reduction. Without a reduction the plan will run out of money, at which point your benefit will be reduced to \$750.25.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This estimate was prepared assuming that the proposed reduction starts on May 1, 2021.

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

- Plan records show that you have 20.99 Service Credits associated with your benefit
- You will be 69 years and 2 months old as of May 31, 2021, based on your March 25, 1952 date of birth.
- The portion of your benefit that is based on disability is \$1,533.27.

**Your Estimated Monthly Benefit**

(a) Monthly Retirement Benefit, <b>Before</b> Reduction	\$ 1,533.27
(b) Credited Service	20.99
(c) Accrual Rate, <b>Before</b> Reduction: (a) ÷ (b)	\$ 73.06
(d) PBGC Guarantee Accrual Rate, equal to 100% of (c) up to \$11, plus 75% of the portion of (c) between \$11 and \$44	\$ 35.75
(e) PBGC Guaranteed Benefit: (b) × (d)	\$ 750.25
(f) Amount of Reduction: \$0 for Disabled benefits	\$ 0.00
(g) Monthly Retirement Benefit payable during your lifetime, <b>After</b> Reduction: (f)	<b>\$ 1,533.27</b>

**PBGC Guaranteed Benefits**

If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by the PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be \$750.25

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

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**Exhibit 4.05f**

**Participant Notice Calculations (Checklist Item #13)**

**HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED<sup>1</sup>**

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

**In-Pay (Retiree with age-based limitation)**

Your current monthly benefit is \$2,623.20. Under the proposed reduction your monthly benefit will be reduced to \$2,111.24 beginning on May 1, 2021. The proposed reduction is intended to be permanent. Without a reduction the plan will run out of money, at which point your benefit will be reduced to \$1,115.40.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This estimate was prepared assuming that the proposed reduction starts on May 1, 2021. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

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

- Plan records show that you have 31.20 Service Credits associated with your benefit.
- You will be 78 years and 2 month old as of May 31, 2021, based on your March 24, 1943 date of birth.
- No portion of your benefit is based on a disability pension in this Plan.

**Your Estimated Monthly Benefit**

(a) Monthly Retirement Benefit, <b>Before</b> Reduction	\$ 2,623.20
(b) Credited Service	31.20
(c) Accrual Rate, <b>Before</b> Reduction: (a) ÷ (b)	\$ 84.08
(d) PBGC Guarantee Accrual Rate, equal to 100% of (c) up to \$11, plus 75% of the portion of (c) between \$11 and \$44	\$ 35.75
(e) PBGC Guaranteed Benefit: (b) × (d)	\$ 1,115.40
(f) 110% of PBGC Guaranteed Benefit: 1.10 × (e)	\$ 1,226.94
(g) Maximum Suspendable: (a) – (f)	\$ 1,396.26
(h) Age based Protection:	63.33%
(i) Monthly Retirement Benefit payable during your lifetime, <b>After</b> Reduction: (a) – (g) × [1 – (h)]	<b>\$ 2,111.24</b>

**PBGC Guaranteed Benefits**

If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by the PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be \$1,115.40.

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



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**Exhibit 4.05g**

**Participant Notice Calculations (Checklist Item #13)**

**HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED<sup>1</sup>**

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

**In-Pay (Beneficiary with age-based limitation)**

Your current monthly benefit is \$960.08. Under the proposed reduction your monthly benefit will be reduced to \$883.35 beginning on May 1, 2021. The proposed reduction is intended to be permanent. Without a reduction the plan will run out of money, at which point your benefit will be reduced to \$790.74.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This estimate was prepared assuming that the proposed reduction starts on May 1, 2021. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

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

- Plan records show that you have 25.70 Service Credits associated with your benefit.
- You will be 75 years and 9 months old as of May 31, 2021, based on your August 16, 1945 date of birth.
- No portion of your benefit is based on a disability pension in this Plan.

**Your Estimated Monthly Benefit**

(a) Monthly Retirement Benefit, <b>Before</b> Reduction	\$ 960.08
(b) Credited Service	25.70
(c) Accrual Rate, <b>Before</b> Reduction: (a) ÷ (b)	\$ 37.36
(d) PBGC Guarantee Accrual Rate, equal to 100% of (c) up to \$11, plus 75% of the portion of (c) between \$11 and \$44	\$ 30.77
(e) PBGC Guaranteed Benefit: (b) × (d)	\$ 790.74
(f) 110% of PBGC Guaranteed Benefit: 1.10 × (e)	\$ 869.81
(g) Maximum Suspendable: (a) – (f)	\$ 90.27
(h) Age based Protection:	15.00%
(i) Monthly Retirement Benefit payable during your lifetime, <b>After</b> Reduction: (a) – (g) × [1 – (h)]	<b>\$ 883.35</b>

**PBGC Guaranteed Benefits**

If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by the PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be \$790.74.

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

**Application for Approval of Benefit Suspension for  
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**Exhibit 4.05h**

**Participant Notice Calculations (Checklist Item #13)**

**HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED<sup>1</sup>**

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

**Not In-Pay (Term Vested with age-based limitation)**

Your benefit without the proposed reduction as of January 1, 2020 in the form of a Single Life Annuity is \$421.08. Under the proposed reduction your monthly benefit in the same form would be reduced to \$269.90. The proposed reduction is intended to be permanent. Without a reduction the plan will run out of money, at which point your benefit will be reduced to \$207.35.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This estimate was prepared assuming that the proposed reduction starts on May 1, 2021. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

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

- Plan records show that you have 5.80 Service Credits associated with your benefit.
- You will be 76 years and 1 month old as of May 31, 2021, based on your April 11, 1945 date of birth.
- No portion of your benefit is based on a disability pension in this Plan.

**Your Estimated Monthly Benefit**

(a) Monthly Retirement Benefit, <b>Before</b> Reduction	\$ 421.08
(b) Credited Service	5.80
(c) Accrual Rate, <b>Before</b> Reduction: (a) ÷ (b)	\$ 72.60
(d) PBGC Guarantee Accrual Rate, equal to 100% of (c) up to \$11, plus 75% of the portion of (c) between \$11 and \$44	\$ 35.75
(e) PBGC Guaranteed Benefit: (b) × (d)	\$ 207.35
(f) 110% of PBGC Guaranteed Benefit: 1.10 × (e)	\$ 228.09
(g) Maximum Suspendable: (a) – (f)	\$ 192.99
(h) Age based Protection:	21.67%
(i) Monthly Retirement Benefit payable during your lifetime, <b>After</b> Reduction: (a) – (g) × [1 – (h)]	<b>\$ 269.90</b>

**PBGC Guaranteed Benefits**

If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by the PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be \$207.35.

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

**Application for Approval of Benefit Suspension for  
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**Exhibit 6.01  
Sample Ballot (Checklist Item #22)**

Fund Office: 6051 Carey Drive • Valley View, OH 44125  
Phone: (216) 328-0436 / Fax: (216) 328-0652

**BALLOT ON THE PROPOSED SUSPENSION OF BENEFITS FOR THE BUILDING  
MATERIAL DRIVERS LOCAL 436 PENSION TRUST FUND.**

The Trustees of the Building Material Drivers Local 436 Pension Trust Fund sent a Notice to all participants, retirees and beneficiaries on June 30, 2020, setting forth a proposal to suspend benefits received by participants and beneficiaries on or after May 1, 2021. “Suspend” means that benefits will be reduced for an indefinite period of time.

The notice sent in June 2020 described the proposed reduction in benefits, the effect of the reduction on those affected by the proposal and the factors considered by the Trustees in designing the proposal. The Trustees have taken this action because they have determined that a reduction in benefits, along with partition, is necessary for the Plan to avoid running out of money.

**This ballot is being provided to you because you are eligible to vote to approve or reject the suspension (reduction) of benefits.**

**THE PROPOSED SUSPENSION**

An explanation of the proposed suspension and the individualized estimate detailing how the suspension will affect your benefit were included in the June 2020 Notice. A new copy of your individualized estimate is attached to this Ballot. If you need another copy of the June 2020 Notice please contact the Fund Office. The proposed suspension is summarized below.

The benefits of all Plan Participants, except as indicated below, will be reduced to 110% of the Pension Benefit Guaranty Corporation (“PBGC”) guarantee, which is the maximum reduction in benefits allowable by law. The PBGC’s guarantee is based on a pension for each year of service a person earns under his or her pension plan. As a monthly benefit amount, the PBGC guarantees a payment equal to 100% of the first \$11 of the plan’s monthly benefit rate, plus 75% of the next \$33 of the monthly benefit rate times the participant’s years of credited service.

The proposed suspension will remain in effect indefinitely and will not expire by its own terms. These reductions, combined with a partition, are projected to keep the Plan from running out of money.

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**Exhibit 6.01  
Sample Ballot (Checklist Item #22)**

**FACTORS CONSIDERED BY THE TRUSTEES IN DESIGNING THE BENEFIT  
SUSPENSIONS**

The Trustees considered a variety of factors including but not limited to the factors listed in Internal Revenue Code Section 432(e)(9)(D)(vi) in designing the benefit suspension and making them as fair as possible. Under Federal law, the Board of Trustees must apply the following rules to the proposed reduction:

- The total reduction in everybody's benefits must be estimated to be large enough to keep the plan from running out of money but not larger than needed to do that. However, in this case the Board of Trustees recognized that the maximum allowable reductions under the law were not enough to prevent the plan from running out of money except when combined with a partition.
- Your monthly benefit and benefit of your beneficiary cannot be reduced below 110% of the amount guaranteed by PBGC.
- Disability benefits (as defined under the plan) cannot be reduced.
- The benefits of people who are at least 80 years old on May 31, 2021 and their beneficiaries cannot be reduced.
- The benefits of people who are at least 75 years old on May 31, 2021, and their beneficiaries are partially protected, and the closer the person is to age 80 the less the benefits can be reduced.
- The reduction of benefits must be spread fairly among the people who have a pension benefit under the Plan.

**IMPORTANT POINTS YOU SHOULD CONSIDER**

In considering how you will vote, here is some additional information that may be helpful to you in making your decision:

1. The proposed benefit reduction will not reduce future accruals for service earned on or after May 1, 2021.
2. The proposed reduction will remain in effect indefinitely.
3. The Plan Actuary has determined that if the benefits are not reduced as proposed, the Fund will run out of money in the year 2023. Conversely, the Plan Actuary has certified that the Plan is projected to avoid running out of money if these reduction are approved and implemented along with the partition. The Plan Actuary's projections are, in part, based on assumptions about future contribution levels and investment rates of return, and therefore these projections are subject to some degree of uncertainty.
4. If the Fund runs out of money, the Fund will not be able to pay all of the benefits promised and benefits paid would be less than the benefits under the proposed suspension.

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**Exhibit 6.01**

**Sample Ballot (Checklist Item #22)**

5. The PBGC acts as a guarantor of benefits provided by Plans like this one, but only to a certain level. The benefits that would be paid under the Trustees' proposal are greater than the benefits guaranteed by the PBGC. In addition, should the PBGC itself run out of money, the PBGC would not be able to pay the guaranteed benefits and whatever it could pay would be less than what would otherwise be paid if the plan runs out of money.
6. The proposed suspension will go into effect unless a majority of all eligible voters vote to reject the suspension. Therefore, a failure to vote has the same effect on the outcome of the vote as a vote in favor of suspension. Votes must be received by April 2, 2021 in order to be eligible for counting.

**SUPPORT, APPROVAL AND OPPOSITION**

1. The Board of Trustees strongly and unanimously supports these proposed benefit reductions. The Trustees believe all reasonable measures have been taken to avoid benefit reductions, including reductions in active participants' benefits and future accruals as well as increases in Employer contributions to the Plan. The Trustees have determined that despite these measures the benefit reductions and partition are required to reasonably ensure that the Plan will not run out of money.
2. The Secretary of the Treasury, in consultation with PBGC and the Secretary of Labor, has approved the Trustees' proposal.
3. Statement of Opposition [TBD]

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**Exhibit 6.02**

**Amount of Reduction in Benefit Payments Attributable to Partition (Checklist Item #24)**

<u>Year</u>	<u>Administrative Expenses</u>	<u>PBGC Guarantee Benefit Payments</u>						<u>Discount Factor</u>	<u>PV PBGC Obligation</u>
		<u>Retirees</u>	<u>Beneficiaries</u>	<u>Terminated Vested Participants</u>	<u>Active</u>	<u>Future New Entrants</u>	<u>Total PBGC GB Payments</u>		
2020	-	-	-	-	-	-	-	0.9896141	-
2021	169,189	1,694,253	342,088	337,891	-	-	2,374,232	0.9691647	2,464,994
2022	224,166	2,462,238	488,211	632,212	-	-	3,582,661	0.9491379	3,613,204
2023	226,487	2,378,792	463,735	821,216	-	-	3,663,743	0.9295249	3,616,066
2024	228,187	2,292,595	439,798	1,030,484	-	-	3,762,877	0.9103172	3,633,134
2025	229,243	2,203,668	416,469	1,198,561	-	-	3,818,698	0.8915064	3,608,765
2026	228,474	2,112,438	393,798	1,383,557	-	-	3,889,793	0.8730844	3,595,594
2027	227,139	2,019,306	371,812	1,465,894	-	-	3,857,012	0.8550429	3,492,125
2028	225,243	1,924,643	350,517	1,528,755	-	-	3,803,916	0.8373743	3,373,914
2029	222,788	1,828,808	329,901	1,548,606	-	-	3,707,316	0.8200709	3,222,964
2030	219,768	1,732,159	309,940	1,637,014	-	-	3,679,113	0.8031249	3,131,288
2031	228,808	1,635,065	290,602	1,658,442	-	-	3,584,109	0.7865292	2,998,970
2032	224,149	1,537,905	271,858	1,665,518	-	-	3,475,281	0.7702763	2,849,583
2033	218,911	1,441,049	253,683	1,709,363	-	-	3,404,095	0.7543593	2,733,048
2034	213,089	1,344,861	236,062	1,764,987	-	-	3,345,910	0.7387713	2,629,286
2035	206,685	1,249,703	218,984	1,726,872	-	-	3,195,558	0.7235053	2,461,541
2036	199,706	1,155,928	202,451	1,754,376	-	-	3,112,756	0.7085548	2,347,060
2037	192,154	1,063,884	186,473	1,703,072	-	-	2,953,429	0.6939132	2,182,761
2038	184,050	973,930	171,073	1,690,478	-	-	2,835,481	0.6795742	2,051,996
2039	175,418	886,454	156,291	1,674,838	-	-	2,717,583	0.6655315	1,925,383
2040	166,306	801,866	142,174	1,626,712	-	-	2,570,752	0.6523862	1,785,619
2041	156,767	720,597	128,778	1,585,043	-	-	2,434,419	0.6400964	1,658,608
2042	146,887	643,078	116,156	1,538,339	-	-	2,297,573	0.628038	1,535,214
2043	136,755	569,709	104,347	1,483,874	-	-	2,157,930	0.6162069	1,414,001
2044	126,488	500,849	93,375	1,431,708	-	-	2,025,933	0.6045986	1,301,350
2045	116,198	436,808	83,251	1,379,175	-	-	1,899,234	0.5932089	1,195,572
2046	106,004	377,823	73,967	1,320,246	-	-	1,772,036	0.5820339	1,093,083
2047	96,015	324,040	65,502	1,252,835	-	-	1,642,377	0.5710694	992,742
2048	86,344	275,525	57,822	1,186,283	-	-	1,519,630	0.5603114	899,845
2049	77,076	232,235	50,886	1,121,445	-	-	1,404,566	0.5497561	814,542
2050	68,303	194,042	44,645	1,050,747	-	-	1,289,435	0.5393996	732,364
2051	60,091	160,732	39,047	979,879	-	-	1,179,658	0.5292382	656,123
2052	52,489	131,999	34,036	908,383	-	-	1,074,417	0.5192683	585,167
2053	45,526	107,491	29,554	837,445	-	-	974,490	0.5094861	519,684
2054	39,216	86,819	25,547	767,609	-	-	879,975	0.4998883	459,493

Present Value of PBGC Financial Assistance **71,575,084**

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**Exhibit 6.03**

**Information on Actuarial Assumptions and Methods (Checklist Item #25)**

The Exhibit details the information on actuarial assumptions and methods that, pursuant to Section 6.03 of Revenue Procedure 2017-43, must be described in an application for approval of a proposed benefit suspension.

**Part 1 – Actuarial assumptions and methods used for projections.**

**Investment returns**

- Net investment return for deterministic projections:
  - The beginning asset date is March 31, 2020. The actual known return of 12.94% is used for April 1, 2020 through May 31, 2020. An annual rate of 6.11% is used for the remainder of the year.
  - 6.11% per year for the Plan Years ending December 31, 2021 thru December 31, 2029
  - 7.35% per year for the Plan Years ending December 31, 2030 and each year thereafter
- Assumptions used for stochastic projections (if applicable): Not applicable

**Mortality assumptions**

- Healthy Lives: RP-2014 adjusted to 2006 Blue Collar Tables with separate rates for non-annuitants and annuitants and separate rates for males and females. Mortality improvement: MP-2019 projection scale beginning in 2006.
- Disabled Lives: RP-2014 adjusted to 2006 Disabled Mortality Tables with separate rates for males and females. Mortality improvement: MP-2019 projection scale beginning in 2006.

**Other demographic assumptions**

- Exhibit 6.03a contains the complete list of, withdrawal, and retirement decrement rates

**Assumptions regarding form and commencement age of benefits**

- Form of payment election assumptions for active and terminated vested participants:
  - 70% of all participants elect the straight life annuity
  - 30% of all participants elect the 50% joint and survivor annuity
- Assumptions regarding the probability of benefit commencement by age for participants who have terminated with deferred benefits or who are assumed to terminate with deferred benefits in the future:
  - Exhibit 6.03a contains the retirement age assumptions for current terminated vested participants. For participants that terminate in the future, those with less than 15 years of service are assumed to retire at age 65, those with 15 or more years of service are assumed to retire at age 62.
- Assumptions regarding the probability of commencement by age for participants who have become disabled or who are assumed to become disabled in the future:
  - does not apply

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Assumptions regarding missing or incomplete data

- Assumptions regarding terminated vested participants beyond normal retirement age who, because they have not commenced receiving benefit payments, could be considered missing:
  - All terminated vested participants are valued. Those beyond normal retirement age are assumed to retire immediately and receive a lump sum for missed payments.
- Assumptions to fill in other missing data:
  - Wives of participants not yet in-pay are assumed to be three years younger than husbands.
  - 60% of participants not yet in-pay status are assumed to be married.

New entrant profile

- The following is a description of the composition of the new hire profile, including the weight applicable to each assumed age of entry:
  - The 112 Participants who were first reported as Plan participants in the January 1, 2016, January 1, 2017, January 1, 2018, January 1, 2019, or January 1, 2020 valuations were included in the development of the new hire profile.
  - Each participant was assigned an equal weight for purposes of assumed age of entry.
  - The data was adjusted such that each new entrant's age at hire, service, and accrued benefit as of each respective valuation date were preserved.
  - New Entrants are assumed to work 1,750 hours per year.

Contribution rates

- Each employer's current contribution rate is assumed to be level throughout the projection period.

Contribution base units

- The following contribution base units are assumed for years during the projection period:

<b>Plan Year Beginning January 1,</b>	<b>Head Count</b>	<b>Contribution Base Units (Hours)</b>
2020	116	205,198
2021	104	198,278
2022	94	175,344
2023	85	156,422
2024	76	138,216
2025+	68	122,360

- From 2010 to 2019, contribution base units declined by approximately 10% per year. It is assumed that contribution base units will continue to decline by approximately 10% per year until 2025. After 2025 it is assumed that plan membership will remain level, and that each active participant will continue working the same hours they worked in the prior year.



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**Information on Actuarial Assumptions and Methods (Checklist Item #25)**

**Withdrawal Liability Payments**

<b>Plan Year Beginning January 1,</b>	<b>Current Withdrawn Employers</b>	<b>Future Withdrawals</b>	<b>Total Withdrawal Liability Payments</b>
2020	1,926,567	122,334	2,048,901
2021	1,217,429	242,286	1,459,715
2022	1,202,495	334,499	1,536,994
2023	1,157,846	334,499	1,492,345
2024	1,103,511	334,499	1,438,010
2025	1,103,511	334,499	1,438,010
2026	1,029,858	334,499	1,364,357
2027	1,000,062	334,499	1,334,561
2028	990,420	334,499	1,324,919
2029	981,128	334,499	1,315,627
2030	882,503	334,499	1,217,002
2031	662,182	334,499	996,681
2032	651,072	334,499	985,571
2033	622,046	334,499	956,545
2034	534,969	334,499	869,468
2035	534,969	334,499	869,468
2036	534,969	334,499	869,468
2037	534,969	334,499	869,468
2038	391,067	334,499	725,566
2039	247,165	334,499	581,664
2040	123,582	212,164	335,746
2041	0	92,212	92,212
2042+	0	0	0

- **Current Withdrawn Employers:** As of June 2020, there are 15 former employers who are currently paying withdrawal liability. Four of these employers will complete their withdrawal liability payments by the end of 2020. For the remaining 11 employers, it is assumed that 90% of the amount owed will be collectible, based upon the Fund's history of withdrawal liability collections.
- **Future Withdrawals:** As of January 2020, there were 33 employers contributing to the Fund.
  - We are aware of two small employers withdrawing during the 2020 plan year due to retirement of their sole employee.
  - It is assumed that 5 small employers will withdraw during 2021 or 2022. Each employer employed several employees in the past, but now employs only one employee.
- It is assumed that the 26 remaining employers will continue doing business and not withdraw from the Fund during the projection period. Half of these employers employ 1 or 2 employees. It is assumed that most of the remaining 13 employers will lose 10% of their employees per year for the next 5 years, resulting in a decrease of approximately 10% per year in contribution base units as described in the prior section.

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**Information on Actuarial Assumptions and Methods (Checklist Item #25)**

Administrative expenses

In General expenses are assumed to increase 2% per year, with certain adjustments for Actuarial Fees, Legal Fees, PBGC Premium, and a cap equal to 20% of expected benefit payments.

- Insolvent Scenarios
  - Actuarial Fees
    - During 2020 it is assumed to be \$250,000. This includes work to build the suspension and partition applications
    - During 2021 it is assumed to be \$170,000. This includes work done during the application review process
    - During 2022 it is assumed to drop to \$90,000
    - During 2023 it is assumed to increase to \$115,000. This includes work done in preparation for the insolvency
    - During 2024 it is assumed to drop to \$30,000.
    - Fees are assumed to increase 2% per year thereafter
  - Legal Fees
    - Assumed to increase 2% per year.
    - During 2024 it is assumed to decrease 25%
    - Fees are assumed to increase 2% per year thereafter
  - All other expenses (except for PBGC Premiums) are assumed to increase 2% per year
  - The assumed expenses (excluding PBGC Premiums) are capped at 20% of the expected benefit payments
  - Finally the PBGC Premium is added. The PBGC Flat Rate Premium is assumed to increase 2% per year and is applied to the anticipated headcount
- Avoid insolvency scenarios
  - Actuarial Fees
    - During 2020 it is assumed to be \$250,000. This includes work to build the suspension and partition applications
    - During 2021 it is assumed to be \$170,000. This includes work done during the application review process
    - During 2022 it is assumed to drop to \$90,000
    - Fees are assumed to increase 2% per year thereafter
  - Legal Fees
    - Assumed to increase 2% per year.
    - During 2022 it is assumed to decrease 25%
    - Fees are assumed to increase 2% per year thereafter
  - All other expenses (except for the PBGC Premium) are assumed to increase 2% per year
  - The above expenses are allocated between the Successor plan and the Ongoing plan based on head counts
  - The assumed expenses (excluding PBGC Premiums) are capped at 20% of the expected benefit payments from their respective plan

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**Information on Actuarial Assumptions and Methods (Checklist Item #25)**

- Finally the PBGC Premium is added. The PBGC Flat Rate Premium is assumed to increase 2% per year and is applied to the anticipated headcount. For the first ten years after the suspension/partition the entire PBGC premium is assigned to the Ongoing plan

**Projection Methodology**

- No approximation or data grouping techniques were used in projections.
- No changes were made to the cash flow projections that would normally be provided by the actuarial software.

**Part 2 – Supporting documentation for selection of certain assumptions.**

**Investments Returns**

- Exhibit 6.03b contains the components of the target portfolio used in the projections (expressed in terms of the asset classes used for setting the Fund's investment policy). Exhibit 6.03c contains the allocation of the components of the target portfolio among the asset classes, as listed in Appendix B of Revenue Procedure 2017-43. This information was provided by AndCo
- The current mix of assets is not materially different from the target portfolio
- The mix of assets is not expected to vary over time
- Exhibit 6.03c contains the net of fees short term and long-term investment return assumptions associated with the target portfolio. The assumptions are based on expectations as provided by AndCO. The following information is also provided:
  - The expected geometric and arithmetic expected returns, gross of fees, for each asset class
  - The standard deviation of returns for each asset class
  - The correlations for the returns among the asset classes
  - The inflation rate inherent in the net investment return
- The investment-related expense inherent in the net investment return for target portfolio was 0.40% of the portfolio.

**Demographic experience**

- Exhibit 6.03e and 6.03f contain recent demographic experience, due to the small nature of this plan there isn't enough credibility to warrant more large expensive experience studies
- Exhibit 6.03d contains the liability gain or loss analyses performed over the last ten years. The results by source where available
- Marital information was available for 167 Participants with hours in 2019, of which 99 were married (59.3%). Additionally, marital information was available for 131 Terminated Vested Participants, of which 79 were married (60.3%).
- Exhibit 6.03e contains the distribution of each optional form of benefit selected at retirement for the last five years

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**Exhibit 6.03**

**Information on Actuarial Assumptions and Methods (Checklist Item #25)**

- Exhibit 6.03f contains the retirement rates by age for benefit commencements during the last 5 years, separately for active and terminated vested participants. Note that these participants cannot retire from the Plan until they cease working in the industry.

**Mortality assumptions**

- The assumed mortality rates used for Healthy participants are those from the RP-2014 adjusted to 2006 Blue Collar sex-distinct tables
- The assumed mortality rates used for Disabled participants are those from the RP-2014 adjusted to 2006 Disabled Retiree sex-distinct tables
- Tables issued by the Society of Actuaries (available at <https://www.soa.org/experience-studies/2014/research-2014-rp/>).
- Mortality rates were not based on Plan experience study data but were instead taken from the SOA tables noted above. A description of the process that was used to construct these mortality rates can be found in the RP-2014 Mortality Tables Report.
- The assumed mortality improvement rates are those published in the SOA MP-2019 improvement scale. These mortality improvement rates are applied to the mortality rates starting with the 2006 year.
- No adjustments have been made to the published mortality tables with improvements.

**New entrant profile**

- Information and analysis used in the selection of the new entrant profile provided below:
  - A distribution of ages of all new active entrants for each of last five years is shown below. A new entrant for purposes of the table below is someone who was an active participant as of the valuation date shown but who was not a plan participant as of the prior valuation date.

Age Range	Percentage of New Entrants				
	1/1/2016	1/1/2017	1/1/2018	1/1/2019	1/1/2020
Below 20	0%	0%	0%	0%	0%
20 – 24	5%	14%	4%	5%	0%
25 – 29	9%	0%	0%	23%	14%
30 – 34	5%	7%	8%	9%	14%
35 – 39	11%	0%	8%	14%	14%
40 – 44	16%	0%	4%	14%	0%
45 – 49	11%	43%	24%	14%	14%
50 – 54	14%	21%	16%	5%	14%
55 – 59	14%	14%	24%	9%	29%
60 and Over	16%	0%	12%	9%	0%

- 46 of the 112 new entrants had prior benefit service. Of these 46, their average benefit service is 0.84. 55 of the 112 new entrants had 1 year of prior eligibility service.

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**Exhibit 6.03**

**Information on Actuarial Assumptions and Methods (Checklist Item #25)**

Contribution base units and employer withdrawals

- Exhibit 6.03g contains for each of the last 10 years a table of employers that contributed 5% or more of the annual contributions to the Fund. The Exhibit includes the number of contribution base units, the average contribution rate, and the total contribution for each employer.
- The historical experience of the Fund with respect to contribution base units can be found in Section 6.04 and the historical contribution rates are documented in Section 5.01.
- The rationale for the contribution base units (i.e., hours of covered employment) assumption is as follows:
  - Since 2010 the Fund has experienced a decline in its contribution base units averaging 10.58%. Based upon discussions with the Trustees and Fund Administrator, it is assumed that contribution base units will continue to decline for 5 more years before leveling off.
- The rationale for the contribution rate assumption is as follows.
  - It has been determined that future contribution increases are not sustainable. Sections 5.02(1)(e) and 5.03(1) of the application provide more background on keeping employers in the plan at this current rate, and the pension contribution rate as a percentage of the total wage rate.
- Over the last 5 years the Plan has experienced 13 employer withdrawals. All of these withdrawals are currently paying or have paid their withdrawal liability.

Take-up rate with respect to selection of benefit/contribution schedules

- All Employers elected to maintain their benefit schedule and increase their contribution rate under the rehabilitation. See section 5.01 for more detail.

Projection methodology

- There were no approximation techniques used in the projections.
- No changes were made to the cash flow projections that would normally be generated by the actuarial software.

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**Exhibit 6.03**

**Information on Actuarial Assumptions and Methods (Checklist Item #25)**

**Part-3 Additional disclosures relating to use of different assumptions**

- The following differences from the assumptions shown above were used for deterministic projections in various illustrations under the revenue procedure:
  - Exhibits 3.01a and 3.01b of the Suspension of Benefits Application use the assumptions detailed with Exhibit 3.01a – the certification for the January 1, 2020 Plan Year.
  - Exhibits 3.02, 6.05(1), 6.05(2), 6.05(3), and 6.05(4) of the Suspension of Benefit Application, along with Exhibit 7a3, 7a5, 7a7, 7a9, and 7a10 of the Application for a Partition Order use the assumptions detailed in this Exhibit 6.03. The following assumptions differ from the January 1, 2020 certification. They were revised to reflect the most recent data available and the details outlined in the American Academy of Actuaries MPRA Discussion Notes:
    - Form of Payment Assumptions
    - New Entrant Profile
    - Contribution Base Units
    - Investment Return
    - Marriage assumption
    - Retirement age assumption
    - Mortality
    - Employer withdrawals from the fund
    - Withdrawal liability payments
  - Additionally, Exhibit 7a4 of the application for a Partition Order differs from Exhibit 7a8 of the application for a Partition Order as follows:
    - In Exhibit 7a8, benefits are reduced to the PBGC Guarantee as of 5/1/2021 and reflect accruals through this date.
    - In Exhibit 7a4, benefits are reduced to the PBGC Guarantee as of 1/1/2024 and reflect accruals through this date. Benefit accruals cease thereafter.
- Stochastic projections were not used in this application.

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**Exhibit 6.03a**

**Complete Decrement Tables (Checklist Item #25)**

<u>Age</u>	<u>Termination</u>	<u>Retirement (Actives)</u>	<u>Retirement (Term Vested) Pct frozen &gt;=90%</u>	<u>Retirement (Term Vested) Pct frozen &lt;90%</u>
15	0.1804	-	-	-
16	0.1804	-	-	-
17	0.1804	-	-	-
18	0.1804	-	-	-
19	0.1804	-	-	-
20	0.1804	-	-	-
21	0.17898	-	-	-
22	0.17756	-	-	-
23	0.17614	-	-	-
24	0.17472	-	-	-
25	0.1733	-	-	-
26	0.17126	-	-	-
27	0.16922	-	-	-
28	0.16718	-	-	-
29	0.16514	-	-	-
30	0.1631	-	-	-
31	0.1605	-	-	-
32	0.1579	-	-	-
33	0.1553	-	-	-
34	0.1527	-	-	-
35	0.1501	-	-	-
36	0.14668	-	-	-
37	0.14326	-	-	-
38	0.13984	-	-	-
39	0.13642	-	-	-
40	0.133	-	-	-
41	0.12884	-	-	-
42	0.12468	-	-	-
43	0.12052	-	-	-
44	0.11636	-	-	-
45	0.1122	-	-	-
46	0.10698	-	-	-
47	0.10176	-	-	-
48	0.09654	-	-	-
49	0.09132	-	-	-
50	0.0861	-	-	-
51	0.0801	-	-	-
52	0.0741	-	-	-
53	0.0681	-	-	-
54	0.0621	-	-	-
55	0.0561	-	-	-
56	0.05243	-	-	-
57	0.04876	-	-	-
58	0.04509	-	-	-
59	0.04142	-	-	-
60	0.03775	-	-	-
61	0.0333	-	-	-
62	0.02885	0.2	0.3	0.5
63	0.0244	0.25	0.1	0.3
64	0.01995	0.5	0.2	0.2
65	-	0.3	1	1
66	-	1	1	1

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**Exhibit 6.03b**

**Components of Target Portfolio (Checklist Item #25)**

Asset Class	Target Allocation
Domestic Core Equity	30%
Domestic Small/Mid Equity	20%
International Equity	10%
Fixed Income	30%
Real Estate	5%
Total Alternatives	5%
Total Fund	100%



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**Exhibit 6.03c**

**Investment Return Assumption (Checklist Item #25)**

Asset Class		Target Allocation	Expected Returns				Standard Deviation	Correlations Among Asset Classes				
			10 year		20 year			1	2	3	4	5
			Arith	Geo	Arith	Geo						
1	US Equity - Large Cap	31.5%	8.14%		10.00%		14.34%	1	0.86	0.83	0.15	0.48
2	US Equity - Small/Mid Cap	20.0%	8.36%		10.00%		17.63%	0.86	1	0.74	0.07	0.49
3	Non-US Equity - Developed	11.0%	10.46%		11.00%		18.23%	0.83	0.74	1	0.17	0.46
4	US Corporate Bonds - Core	32.5%	3.87%		5.00%		9.89%	0.15	0.07	0.17	1	0.16
5	Real Estate (REITs)	5.0%	9.07%		7.00%		15.42%	0.48	0.49	0.46	0.16	1
Inflation			2.01%		2.50%		1.40%					
Total Portfolio			100%	7.10%	6.51%	8.34%	7.75%	10.82%				
Investment Management Fees				0.40%		0.40%						
Net of Fees Return				6.11%		7.35%						

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**Exhibit 6.03d  
Liability Gain / Loss Analysis (Checklist Item #25)**

Actuarial Liability Gain/Loss Analysis										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
BOY Accrued Liability	\$ 96,792,435	\$ 94,779,591	\$ 94,383,378	\$ 95,536,126	\$ 97,270,978	\$ 106,831,355	\$ 107,119,441	\$ 116,237,429	\$ 116,027,947	\$ 111,462,761
Actual EOY Accrued Liability	<u>94,779,591</u>	<u>94,383,378</u>	<u>95,536,126</u>	<u>97,270,978</u>	<u>106,831,355</u>	<u>107,119,441</u>	<u>116,237,429</u>	<u>116,027,947</u>	<u>111,462,761</u>	<u>108,513,350</u>
Liability Increase/(Decrease)	\$ (2,012,844)	\$ (396,213)	\$ 1,152,748	\$ 1,734,852	\$ 9,560,377	\$ 288,086	\$ 9,117,988	\$ (209,482)	\$ (4,565,186)	\$ (2,949,411)
Change due to:										
Plan Amendment	\$ (3,256,530)	\$ 0	\$ (260,805)	\$ 0	\$ 1,815,792	\$ 0	\$ (1,022,124)	\$ 0	\$ 0	\$ (1,181,423)
Assumption Change	0	0	0	0	9,398,219	515,274	11,884,102	0	91,944	3,374,789
Accrual of Benefits	672,088	605,072	624,961	494,920	475,168	526,166	511,698	433,214	405,213	367,300
Increase for Interest	7,486,300	7,581,283	7,277,213	7,355,095	7,483,329	7,215,453	7,236,469	7,871,583	7,847,785	7,525,568
Benefit Payments	(7,923,988)	(8,413,913)	(8,244,971)	(8,345,252)	(8,574,009)	(8,706,508)	(8,652,368)	(8,584,109)	(8,792,589)	(8,692,791)
Actuarial (Gain)/Loss	<u>1,009,286</u>	<u>(168,655)</u>	<u>1,756,346</u>	<u>2,230,089</u>	<u>(1,038,122)</u>	<u>737,701</u>	<u>(839,789)</u>	<u>69,830</u>	<u>(4,117,539)</u>	<u>(4,342,854)</u>
Total	\$ (2,012,844)	\$ (396,213)	\$ 1,152,744	\$ 1,734,852	\$ 9,560,377	\$ 288,086	\$ 9,117,988	\$ (209,482)	\$ (4,565,186)	\$ (2,949,411)
(Gain)/Loss as a percent of EOY Accrued Liability	1.06%	-0.18%	1.84%	2.29%	-0.97%	0.69%	-0.72%	0.06%	-3.69%	-4.00%

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**Exhibit 6.03e**

**Distribution of Optional Forms (Checklist Item #25)**

<b>Form</b>	<b>Total</b>	<b>Percentage Electing</b>	<b>Election Assumption</b>
Life Only	114	65%	70%
5-Year Certain and Life	8	5%	
50% Joint and Survivor	31	18%	30%
75% Joint and Survivor	22	13%	
Total	175	100%	

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Exhibit 6.03f

**Retirement Rates by Age (Checklist Item #25)**

**Term Vesteds Retirement Rates Percent Frozen >=90%**

Age	Retirement Eligible Terminated Vesteds	Terminated Vesteds Count Retiring	Terminated Vesteds Percentage Retiring	Assumption
62	108	32	30%	30%
63	27	3	11%	10%
64	21	4	19%	20%
65	13	3	23%	100%
66	7	1	14%	100%
67	4	0	0%	100%
68	5	1	20%	100%
69	2	0	0%	100%
70+	12	2	17%	100%

**Term Vesteds Retirement Rates Percent Frozen <90%**

Age	Retirement Eligible Terminated Vesteds	Terminated Vesteds Count Retiring	Terminated Vesteds Percentage Retiring	Assumption
62	80	43	54%	50%
63	16	5	31%	30%
64	10	2	20%	20%
65	32	10	31%	100%
66	9	5	56%	100%
67	4	0	0%	100%
68	4	1	25%	100%
69	3	0	0%	100%
70+	13	1	8%	100%

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Exhibit 6.03f

**Retirement Rates by Age (Checklist Item #25)**

**Actives Retirement Rates**

<b>Age</b>	<b>Retirement Eligible Actives</b>	<b>Actives Count Retiring</b>	<b>Actives Percentage Retiring</b>	<b>Assumption</b>
62	60	14	23%	20.0%
63	19	5	26%	25.0%
64	15	7	47%	50.0%
65	21	6	29%	30.0%
66	8	2	25%	100.0%
67	5	0	0%	100.0%
68	6	2	33%	100.0%
69	3	1	33%	100.0%
70+	5	5	100%	100.0%

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**Exhibit 6.03g**

**Employers that Contributed 5% or More (Checklist Item #25)**

<u>Employer Name</u>	<u>Number of CBUs</u>	<u>Average Contribution Rate</u>	<u>Total Contributions</u>
<b>2009</b>			
Granger Trucking	58,865	4.55	267,838
Ohio Bulk	42,853	4.80	205,695
SB Morabito Trucking	31,542	5.55	175,058
<b>2010</b>			
Granger Trucking	50,798	4.55	231,130
SB Morabito Trucking	39,666	5.55	220,145
Ohio Bulk	43,834	4.80	210,402
Carr Brothers	30,732	5.55	170,561
<b>2011</b>			
Carr Brothers	41,126	5.55	228,251
SB Morabito Trucking	38,057	5.55	211,215
Granger Trucking Inc	28,525	6.77	193,115
<b>2012</b>			
Granger Trucking Inc	39,413	6.77	266,824
SB Morabito Trucking	34,099	6.45	219,939
Carr Brothers	31,006	6.45	199,986
Tech Ready Mix Inc	37,052	5.13	190,077
<b>2013</b>			
SB Morabito Trucking	33,767	7.35	248,184
Tech Ready Mix Inc	39,837	5.13	204,364
Industrial First Inc	23,475	7.35	172,541
Rexel Dist Ctr	29,049	5.75	167,034
<b>2014</b>			
SB Morabito Trucking Inc	33,665	7.35	247,438
Independence Excavating	20,859	10.05	209,633
Industrial First Inc	25,224	8.25	208,095
Rexel Dist Ctr	28,591	6.45	184,411
Local 436 Union	16,649	10.05	167,324

<u>Employer Name</u>	<u>Number of CBUs</u>	<u>Average Contribution Rate</u>	<u>Total Contributions</u>
<b>2015</b>			
SB Morabito Trucking Co Inc	28,505	9.15	260,820
Industrial First Inc	25,586	9.15	234,115
Independence Excavating Inc	22,429	10.05	225,411
Rexel Dist Ctr Solon	27,942	7.15	199,782
Local 436 Union	16,652	10.05	167,353
<b>2016</b>			
Industrial First Inc	26,615	10.05	267,476
SB Morabito Trucking Co Inc	23,006	10.05	231,206
Rexel Distribution, Solon	27,139	7.85	213,043
Independence Excavating Inc	17,612	10.05	176,996
IBT Local Union 436	17,071	10.05	171,564
BTB Trucking	29,082	5.34	155,296
<b>2017</b>			
SB Morabito Trucking Co Inc	31,591	10.05	317,487
Industrial First Inc	28,864	10.05	290,079
Rexel USA Inc	27,930	7.85	219,247
BTB Trucking	31,107	5.92	184,153
IBT Local Union 436	16,984	10.05	170,689
Independence Excavating Inc	15,408	10.05	154,848
<b>2018</b>			
Industrial First Inc	33,158	10.05	333,234
SB Morabito Trucking Co Inc	30,135	10.05	302,857
Rexel USA Inc	31,073	7.85	243,924
BTB Trucking	28,467	6.50	185,038
IBT Local Union 436	16,716	10.05	167,996

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**Exhibit 6.03h**

**Withdrawn Employers Payments (Checklist Item #25)**

<b>Withdrawn Employers</b>	<b>Withdrawal Liability Payments</b>
All Crane	\$ 25,000.00 per quarter
Bruder, Inc.	\$ 32,250.87 per quarter
C.J. Zak	\$ 6,643.89 per quarter
Chas. Svec	\$ 15,000.00 per month until July 2020
IBT Joint Council 41	\$ 5,259.50 per quarter
J&T Trucking	\$ 300.00 per month until December 2020
Kenmore Construction	\$ 5,225.25 per quarter
Marous Brothers	\$ 5,091.58 per quarter
Ohio Bulk Transfer	\$ 79,945.54 per quarter
RW Sidley	\$ 23,510.44 per quarter
Rexel Holdings	\$ 63,565.33 per quarter
Stein, Inc.	\$ 633,437.52 fully paid 5/27/2020
Tech Ready Mix	\$ 59,423.61 per quarter
Tri-Mor Corporation	\$ 32,258.69 per quarter

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**Exhibit 6.05(1)**

**Sensitivity to Return on Market Value: Assumed Rate of Return by 1 Percentage Point (Checklist Item #27)**

						Benefit Payments												
						Terminated				Future	Total				Solvency	Accrued	Funded	
						Vested	New	Benefit				Investment	Investment	Available	Ratio	Liability	Percentage	
Year	BoY Assets	Contributions	Payments	Payments	Administrative	Retirees	Beneficiaries	Participants	Actives	Entrants	Payments	Rate	Return	EoY Assets	Resources			
2020	18,600,185	1,345,430	1,444,925	91,751	626,147	5,587,435	687,168	778,466	101,318	-	7,154,387	15.92%	2,585,586	16,287,343	23,441,729	3.28	108,513,350	17%
2021	16,287,343	1,724,361	1,217,429	242,286	595,987	4,509,514	514,739	326,666	188,690	-	5,539,610	5.11%	757,811	14,093,633	19,633,243	3.54	108,976,726	15%
2022	14,093,633	1,541,800	1,202,495	334,499	460,700	3,028,396	318,521	62,944	201,898	-	3,611,759	5.11%	695,113	13,795,081	17,406,840	4.82	33,933,490	42%
2023	13,795,081	1,385,925	1,157,846	334,499	470,756	2,900,551	302,032	81,520	267,138	-	3,551,241	5.11%	676,071	13,327,425	16,878,666	4.75	32,789,879	42%
2024	13,327,425	1,241,238	1,103,511	334,499	481,707	2,770,050	285,569	102,248	320,703	-	3,478,569	5.11%	648,709	12,695,105	16,173,675	4.65	31,607,108	42%
2025	12,695,105	1,115,647	1,103,511	334,499	493,582	2,638,222	269,457	118,998	362,511	499	3,389,685	5.11%	615,172	11,980,666	15,370,352	4.53	30,397,178	42%
2026	11,980,666	1,115,647	1,029,858	334,499	507,797	2,505,049	253,687	137,202	403,557	1,767	3,301,263	5.11%	578,678	11,230,288	14,531,551	4.40	29,176,912	41%
2027	11,230,288	1,115,647	1,000,062	334,499	522,849	2,371,099	238,319	145,407	445,377	2,540	3,202,743	5.11%	541,688	10,496,592	13,699,335	4.28	27,962,691	40%
2028	10,496,592	1,115,647	990,420	334,499	538,741	2,236,988	223,412	151,268	501,464	3,481	3,116,613	5.11%	505,725	9,787,529	12,904,142	4.14	26,765,386	39%
2029	9,787,529	1,115,647	981,128	334,499	555,475	2,103,359	209,014	153,163	539,088	4,808	3,009,432	5.11%	471,539	9,125,435	12,134,867	4.03	25,573,363	38%
2030	9,125,435	1,115,647	882,503	334,499	573,064	1,970,902	195,162	161,960	584,353	7,811	2,920,188	6.35%	543,183	8,508,015	11,428,203	3.91	24,408,767	37%
2031	8,508,015	1,115,647	662,182	334,499	578,887	1,840,356	181,878	164,039	614,771	11,817	2,812,861	6.35%	500,263	7,728,858	10,541,719	3.75	23,254,964	37%
2032	7,728,858	1,115,647	651,072	334,499	574,520	1,712,475	169,169	164,606	647,805	16,829	2,710,885	6.35%	453,763	6,998,434	9,709,319	3.58	22,131,415	35%
2033	6,998,434	1,115,647	622,046	334,499	553,289	1,587,958	157,037	168,862	666,376	22,348	2,602,580	6.35%	410,523	6,325,281	8,927,861	3.43	21,034,702	33%
2034	6,325,281	1,115,647	534,969	334,499	530,674	1,467,404	145,483	174,415	671,491	28,493	2,487,286	6.35%	369,367	5,661,802	8,149,089	3.28	19,973,251	32%
2035	5,661,802	1,115,647	534,969	334,499	508,448	1,351,292	134,500	170,559	681,090	36,420	2,373,861	6.35%	331,477	5,096,086	7,469,947	3.15	18,956,759	30%
2036	5,096,086	1,115,647	534,969	334,499	487,215	1,239,932	124,076	173,290	681,935	46,110	2,265,344	6.35%	299,610	4,628,252	6,893,596	3.04	17,986,440	28%
2037	4,628,252	1,115,647	534,969	334,499	464,274	1,133,518	114,194	168,123	675,290	57,109	2,148,234	6.35%	274,281	4,275,141	6,423,374	2.99	17,060,450	27%
2038	4,275,141	1,115,647	391,067	334,499	442,249	1,032,172	104,836	166,843	662,138	69,676	2,035,664	6.35%	251,567	3,890,007	5,925,671	2.91	16,190,781	26%
2039	3,890,007	1,115,647	247,165	334,499	425,138	935,940	95,983	165,284	665,796	84,624	1,947,626	6.35%	225,900	3,440,455	5,388,080	2.77	15,376,677	25%
2040	3,440,455	1,115,647	123,582	212,164	405,506	844,836	87,621	160,468	652,933	101,113	1,846,970	6.35%	193,426	2,832,797	4,679,768	2.53	14,596,654	24%
2041	2,832,797	1,115,647	-	92,212	388,445	758,884	79,737	156,295	646,438	117,810	1,759,165	6.35%	150,505	2,043,552	3,802,716	2.16	13,866,149	20%
2042	2,043,552	1,115,647	-	-	371,743	678,115	72,317	151,647	635,862	135,242	1,673,182	6.35%	100,715	1,214,988	2,888,170	1.73	13,175,334	16%
2043	1,214,988	1,115,647	-	-	355,926	602,548	65,346	146,199	623,858	153,707	1,591,659	6.35%	51,144	434,194	2,025,853	1.27	12,525,104	10%
2044	434,194	1,115,647	-	-	339,615	532,200	58,810	141,005	602,106	173,615	1,507,735	6.35%	4,697	(292,812)	1,214,923	0.81	11,913,685	4%
2045	(292,812)	1,115,647	-	-	325,445	467,079	52,694	135,786	583,390	195,652	1,434,602	6.35%	(38,738)	(975,950)	458,652	0.32	11,346,279	-3%



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**Exhibit 6.05(2)**

**Sensitivity to Return on Market Value: Assumed Rate of Return by 2 Percentage Points (Checklist Item #27)**

Year	BoY Assets	Contributions	WL Payments Prior	WL Payments Future	Administrative Expenses	Benefit Payments					Total Benefit Payments	Investment Rate	Investment Return	EoY Assets	Available Resources	Solvency Ratio	Accrued Liability	Funded Percentage
						Retirees	Beneficiaries	Participants	Actives	Future New Entrants								
2020	18,600,185	1,345,430	1,444,925	91,751	626,147	5,587,435	687,168	778,466	101,318	-	7,154,387	14.92%	2,422,382	16,124,138	23,278,525	3.25	108,513,350	17%
2021	16,124,138	1,724,361	1,217,429	242,286	595,987	4,509,514	514,739	326,666	188,690	-	5,539,610	4.11%	602,659	13,775,277	19,314,886	3.49	108,976,726	15%
2022	13,775,277	1,541,800	1,202,495	334,499	460,700	3,028,396	318,521	62,944	201,898	-	3,611,759	4.11%	545,950	13,327,561	16,939,320	4.69	33,933,490	41%
2023	13,327,561	1,385,925	1,157,846	334,499	470,756	2,900,551	302,032	81,520	267,138	-	3,551,241	4.11%	524,496	12,708,331	16,259,572	4.58	32,789,879	41%
2024	12,708,331	1,241,238	1,103,511	334,499	481,707	2,770,050	285,569	102,248	320,703	-	3,478,569	4.11%	496,252	11,923,554	15,402,124	4.43	31,607,108	40%
2025	11,923,554	1,115,647	1,103,511	334,499	493,582	2,638,222	269,457	118,998	362,511	499	3,389,685	4.11%	463,010	11,056,953	14,446,639	4.26	30,397,178	39%
2026	11,056,953	1,115,647	1,029,858	334,499	507,797	2,505,049	253,687	137,202	403,557	1,767	3,301,263	4.11%	427,404	10,155,301	13,456,564	4.08	29,176,912	38%
2027	10,155,301	1,115,647	1,000,062	334,499	522,849	2,371,099	238,319	145,407	445,377	2,540	3,202,743	4.11%	391,438	9,271,355	12,474,098	3.89	27,962,691	36%
2028	9,271,355	1,115,647	990,420	334,499	538,741	2,236,988	223,412	151,268	501,464	3,481	3,116,613	4.11%	356,340	8,412,908	11,529,520	3.70	26,765,386	35%
2029	8,412,908	1,115,647	981,128	334,499	555,475	2,103,359	209,014	153,163	539,088	4,808	3,009,432	4.11%	322,709	7,601,983	10,611,416	3.53	25,573,363	33%
2030	7,601,983	1,115,647	882,503	334,499	573,064	1,970,902	195,162	161,960	584,353	7,811	2,920,188	5.35%	376,064	6,817,445	9,737,633	3.33	24,408,767	31%
2031	6,817,445	1,115,647	662,182	334,499	578,887	1,840,356	181,878	164,039	614,771	11,817	2,812,861	5.35%	330,955	5,868,980	8,681,840	3.09	23,254,964	29%
2032	5,868,980	1,115,647	651,072	334,499	574,520	1,712,475	169,169	164,606	647,805	16,829	2,710,885	5.35%	282,726	4,967,519	7,678,404	2.83	22,131,415	27%
2033	4,967,519	1,115,647	622,046	334,499	553,289	1,587,958	157,037	168,862	666,376	22,348	2,602,580	5.35%	237,152	4,120,994	6,723,574	2.58	21,034,702	24%
2034	4,120,994	1,115,647	534,969	334,499	530,674	1,467,404	145,483	174,415	671,491	28,493	2,487,286	5.35%	193,205	3,281,352	5,768,639	2.32	19,973,251	21%
2035	3,281,352	1,115,647	534,969	334,499	508,448	1,351,292	134,500	170,559	681,090	36,420	2,373,861	5.35%	151,865	2,536,024	4,909,885	2.07	18,956,759	17%
2036	2,536,024	1,115,647	534,969	334,499	487,215	1,239,932	124,076	173,290	681,935	46,110	2,265,344	5.35%	115,416	1,883,996	4,149,340	1.83	17,986,440	14%
2037	1,883,996	1,115,647	534,969	334,499	464,274	1,133,518	114,194	168,123	675,290	57,109	2,148,234	5.35%	84,230	1,340,833	3,489,067	1.62	17,060,450	11%
2038	1,340,833	1,115,647	391,067	334,499	442,249	1,032,172	104,836	166,843	662,138	69,676	2,035,664	5.35%	54,925	759,058	2,794,722	1.37	16,190,781	8%
2039	759,058	1,115,647	247,165	334,499	425,138	935,940	95,983	165,284	665,796	84,624	1,947,626	5.35%	22,777	106,382	2,054,007	1.05	15,376,677	5%
2040	106,382	1,115,647	123,582	212,164	405,506	844,836	87,621	160,468	652,933	101,113	1,846,970	5.35%	(15,458)	(710,160)	1,136,810	0.62	14,596,654	1%
2041	(710,160)	1,115,647	-	92,212	388,445	758,884	79,737	156,295	646,438	117,810	1,759,165	5.35%	(62,804)	(1,712,715)	46,450	0.03	13,866,149	-5%

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Exhibit 6.05(3)  
Sensitivity to Future CBUs: Assume plan experience (Checklist Item #27)**

			Benefit Payments															
			WL	WL		Terminated				Future	Total							
			Payments	Payments	Administrative	Vested				New	Benefit				Investment	Investment	Available	Solvency
Year	BoY Assets	Contributions	Prior	Future	Expenses	Retirees	Beneficiaries	Participants	Actives	Entrants	Payments	Rate	Return	EoY Assets	Resources	Ratio	Accrued Liability	Funded Percentage
2020	18,600,185	1,345,430	1,444,925	91,751	626,147	5,587,435	687,168	778,466	101,318	-	7,154,387	16.92%	2,748,888	16,450,645	23,605,032	3.30	108,513,350	17%
2021	16,450,645	1,197,433	1,217,429	242,286	595,987	4,509,514	514,739	326,666	188,690	-	5,539,610	6.11%	900,443	13,872,640	19,412,249	3.50	108,976,726	15%
2022	13,872,640	1,065,715	1,202,495	334,499	460,700	3,028,396	318,521	62,944	201,898	-	3,611,759	6.11%	803,383	13,206,273	16,818,032	4.66	33,933,490	41%
2023	13,206,273	948,487	1,157,846	334,499	470,756	2,900,551	302,032	81,520	267,138	-	3,551,241	6.11%	759,315	12,384,423	15,935,664	4.49	32,789,879	40%
2024	12,384,423	844,153	1,103,511	334,499	481,707	2,770,050	285,569	102,248	320,703	-	3,478,569	6.11%	706,182	11,412,491	14,891,061	4.28	31,607,108	39%
2025	11,412,491	751,296	1,103,511	334,499	493,582	2,638,222	269,457	118,998	362,511	499	3,389,685	6.11%	646,320	10,364,850	13,754,535	4.06	30,397,178	38%
2026	10,364,850	668,654	1,029,858	334,499	507,797	2,505,049	253,687	137,202	403,557	1,767	3,301,263	6.11%	579,838	9,168,639	12,469,902	3.78	29,176,912	36%
2027	9,168,639	595,102	1,000,062	334,499	522,849	2,371,099	238,319	145,407	445,377	2,540	3,202,743	6.11%	506,152	7,878,862	11,081,605	3.46	27,962,691	33%
2028	7,878,862	529,641	990,420	334,499	538,741	2,236,988	223,412	151,268	501,464	3,481	3,116,613	6.11%	427,200	6,505,267	9,621,880	3.09	26,765,386	29%
2029	6,505,267	471,380	981,128	334,499	555,475	2,103,359	209,014	153,163	539,088	4,808	3,009,432	6.11%	343,962	5,071,329	8,080,762	2.69	25,573,363	25%
2030	5,071,329	419,528	882,503	334,499	573,064	1,970,902	195,162	161,960	584,353	7,811	2,920,188	7.35%	305,718	3,520,325	6,440,514	2.21	24,408,767	21%
2031	3,520,325	373,380	662,182	334,499	578,887	1,840,356	181,878	164,039	614,771	11,817	2,812,861	7.35%	185,764	1,684,403	4,497,264	1.60	23,254,964	15%
2032	1,684,403	332,308	651,072	334,499	574,520	1,712,475	169,169	164,606	647,805	16,829	2,710,885	7.35%	52,779	(230,343)	2,480,541	0.92	22,131,415	8%
2033	(230,343)	295,754	622,046	334,499	553,289	1,587,958	157,037	168,862	666,376	22,348	2,602,580	7.35%	(85,646)	(2,219,559)	383,021	0.15	21,034,702	-1%

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Exhibit 6.05(4)**

**Sensitivity to Future CBUs: Assume plan experience reduced by one percentage point (Checklist Item #27)**

Year	BoY Assets	Contributions	Benefit Payments					Investment Rate	Investment Return	EoY Assets	Available Resources	Solvency Ratio	Accrued Liability	Funded Percentage
			WL Payments Prior	WL Payments Future	Administrative Expenses	Retirees	Beneficiaries	Terminated Vested Participants	Active Entrants	Future New Entrants	Total Benefit Payments			
2020	18,600,185	1,345,430	1,444,925	91,751	626,147	5,587,435	687,168	778,466	101,318	-	7,154,387	16.92%	2,748,888	16,450,645
2021	16,450,645	1,183,979	1,217,429	242,286	595,987	4,509,514	514,739	326,666	188,690	-	5,539,610	6.11%	900,038	13,858,780
2022	13,858,780	1,041,901	1,202,495	334,499	460,700	3,028,396	318,521	62,944	201,898	-	3,611,759	6.11%	801,820	13,167,036
2023	13,167,036	916,873	1,157,846	334,499	470,756	2,900,551	302,032	81,520	267,138	-	3,551,241	6.11%	755,966	12,310,224
2024	12,310,224	806,848	1,103,511	334,499	481,707	2,770,050	285,569	102,248	320,703	-	3,478,569	6.11%	700,526	11,295,331
2025	11,295,331	710,026	1,103,511	334,499	493,582	2,638,222	269,457	118,998	362,511	499	3,389,685	6.11%	637,919	10,198,019
2026	10,198,019	624,823	1,029,858	334,499	507,797	2,505,049	253,687	137,202	403,557	1,767	3,301,263	6.11%	568,326	8,946,465
2027	8,946,465	549,845	1,000,062	334,499	522,849	2,371,099	238,319	145,407	445,377	2,540	3,202,743	6.11%	491,215	7,596,494
2028	7,596,494	483,863	990,420	334,499	538,741	2,236,988	223,412	151,268	501,464	3,481	3,116,613	6.11%	408,569	6,158,492
2029	6,158,492	425,800	981,128	334,499	555,475	2,103,359	209,014	153,163	539,088	4,808	3,009,432	6.11%	321,402	4,656,413
2030	4,656,413	374,704	882,503	334,499	573,064	1,970,902	195,162	161,960	584,353	7,811	2,920,188	7.35%	273,603	3,028,470
2031	3,028,470	329,739	662,182	334,499	578,887	1,840,356	181,878	164,039	614,771	11,817	2,812,861	7.35%	148,037	1,111,180
2032	1,111,180	290,170	651,072	334,499	574,520	1,712,475	169,169	164,606	647,805	16,829	2,710,885	7.35%	9,126	(889,357)
2033	(889,357)	255,350	622,046	334,499	553,289	1,587,958	157,037	168,862	666,376	22,348	2,602,580	7.35%	(135,542)	(2,968,873)
														(366,293)
													(0.14)	21,034,702
														-4%

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Exhibit 7.05  
Power of Attorney (Checklist Item #36)**

**Application Information:**

Plan Sponsor	Board of Trustees of Building Material Drivers Local 436 Pension Fund
Plan Name	Building Material Drivers Local 436 Pension Fund
Plan EIN / PN	34-6665225/001
Plan Address	6051 Carey Drive Valley View, OH 44125 6051 Carey Drive
Name of Contact	John M. Fortesque
Title of Contact	Chairman, Board of Trustees
Telephone / Fax	
Email Address	<a href="mailto:local@teamsters436.com">local@teamsters436.com</a>


Applicant hereby appoints the following representatives as attorneys-in-fact to represent the taxpayer before the Department of the Treasury and perform acts related to the attached application dated June 30, 2020 for suspension of benefits under §432(e)(9) of the Internal Revenue Code of 1986 and partition orders under Part 4233 of ERISA, as amended.

**Representatives Information:**

Name	George Faulkner	Joseph Mara Jr.
Company	Faulkner, Hoffman & Phillips, LLC	Cheiron, Inc.
Title	Fund Counsel	Fund Actuary
Address	20445 Emerald Parkway Drive Suite 210 Cleveland, OH 44135	200 West Monroe Street Suite 1800 Chicago, IL 60606
EIN	45-1540483	20-06992
Telephone	216-781-3600	312-629-8401x1207
Email	<a href="mailto:mando@fhplaw.com">mando@fhplaw.com</a>	<a href="mailto:jmara@cheiron.us">jmara@cheiron.us</a>
Fax	216-781-8839	

Send copies of notices and communications to representatives: YES

Without exception, I authorized my representatives to receive and inspect information, including confidential tax information, and to perform acts that I can perform with respect to the application dated June 30, 2020 for suspension of benefits under §432(e)(9) and partition orders under Part 4233 of ERISA. For example, my representatives shall have the authority to sign any agreements, consents, or similar documents.

  
John M. Fortesque  
Authorized Trustee

**Application for Approval of Benefit Suspension for  
Building Material Drivers Local 436 Pension Trust Fund  
EIN/PN: 34-6665225 / 001**

**Exhibit 7.05  
Power of Attorney (Checklist Item #36)**

**Power of Attorney and Declaration of Representative before the Department of the Treasury**

**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. Enrollment 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 Representatives:**

George Faulkner  
(Attorney)  
IRS CAF#  
Licensed in Ohio

Joseph Mara Jr.  
(Enrolled Actuary)  
EA# 20-06992

Gary Boncella  
(Administrator)

**Signature of Representatives and Dates:**

5/22/2020  
Date

5/22/2020  
Date

5/22/2020  
Date