

# SEIU National Industry Pension Fund

**Withdrawal Liability Valuation as of December 31, 2024**



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**Segal**



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December 19, 2025

Board of Trustees  
SEIU National Industry Pension Fund  
1800 Massachusetts Ave NW, Suite 301  
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Dear Trustees:


This report summarizes and reviews the Plan's status and experience with respect to employer withdrawal liability. It outlines the withdrawal liability methods adopted and explains the calculation of the amount of unfunded vested liability allocable to a withdrawn employer. It also establishes the basis for assessments of withdrawal liability for a withdrawal during the period January 1, 2025 through December 31, 2025, including the actuarial assumptions used.


This report has been prepared for the exclusive use and benefit of the Board, based upon information provided by the Fund Office and the Fund's other service providers. Segal makes no representation or warranty as to the future status of the Plan and does not guarantee any particular result. This document does not constitute legal, tax, accounting or investment advice or create or imply a fiduciary relationship. The Trustees are encouraged to discuss any issues raised in this report with the Fund's legal, tax and other advisors before taking, or refraining from taking, any action.

The actuarial calculations were completed under the supervision of Maria Kirilenko, ASA, FCA, MAAA, and Enrolled Actuary. The basic participant and financial data used in this report are the same as those used in the actuarial valuation as of January 1, 2025. The benefit provisions included in the calculations are those that were in effect on December 31, 2024. The method described in the PBGC Technical Update 10-3 has been used to account for reductions in benefits that occurred as a result of implementation of the Rehabilitation Plan.

We look forward to reviewing this report with you at your next meeting and to answering any questions you may have.

Sincerely,

Segal  
By:   
Stacey Hostetter Carter  
Senior Vice President and Benefits Consultant

  
Alex Giordano, ASA, FCA, MAAA, EA  
Vice President and Consulting Actuary

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# Section 1: Actuarial Valuation Summary

## Important information about withdrawal liability valuations

A withdrawal liability valuation is prepared to assist in the determination and assessment of withdrawal liability. It is a forecast of future uncertain obligations of a pension plan. As such, the forecast will never precisely match the actual stream of benefits and expenses to be paid.

In order to prepare withdrawal liability valuations, Segal relies on a number of input items. These include:

Item	Description
<b>Plan Provisions</b>	Plan provisions define the rules that will be used to determine benefit payments, and those rules, or the interpretation of them, may change over time. It is important for the Trustees to keep Segal informed with respect to plan provisions and administrative procedures, and to review the plan summary included in our report to confirm that Segal has correctly interpreted the plan of benefits. For an employer withdrawing in a particular plan year, the relevant plan provisions are those in effect at the end of the prior plan year.
<b>Participant Information</b>	The present value of vested benefits, upon which withdrawal liability for an employer is determined, is based on data provided to the actuary by the plan. Segal does not audit such data for completeness or accuracy, other than reviewing it for obvious inconsistencies compared to prior data and other information that appears unreasonable. It is not necessary to have perfect data for a valuation: the valuation is an estimated forecast, not a prediction. Notwithstanding the above, it is important for Segal to receive the best possible data and to be informed about any known incomplete or inaccurate data.
<b>Financial Information</b>	The withdrawal liability valuation is based on the asset values as of the valuation date, typically reported by the auditor. The allocation of the unfunded present value of vested benefits to an employer is based on its detailed obligated contribution information as well as that for other participating employers, as provided by the plan.
<b>Actuarial Assumptions</b>	In measuring the present value of vested benefits for withdrawal liability purposes, Segal starts by developing a forecast of the vested benefits to be paid to existing plan participants for the rest of their lives and the lives of their beneficiaries. This requires actuarial assumptions as to the probability of death and retirement. The forecasted benefits are then discounted to a present value. The actuarial model used to develop the present value of vested benefits for withdrawal liability purposes may use approximations and estimates that will have an immaterial impact on our results. In addition, the actuarial assumptions may change over time, and while this can have a significant impact on the reported results, it does not mean that the previous assumptions or results were unreasonable or wrong.

## Section 1: Actuarial Valuation Summary

Given the above, the user of Segal's withdrawal liability valuation report (or other actuarial calculations) needs to keep the following in mind:

- The withdrawal liability valuation report is prepared for use by the Trustees in administering the Plan. It includes information relative to the provisions of ERISA pertaining to withdrawal liability. Segal is not responsible for the use or misuse of its report, particularly by any other party.
- A withdrawal liability valuation is a measurement as of a specific date — it is not a prediction of a plan's future financial condition. Accordingly, Segal did not perform an analysis of other potential financial measurements.
- The measurements in this report are not necessarily appropriate for assessing the sufficiency of Plan assets to cover the estimated cost of settling the Plan's benefit obligations or the need for or the amount of future contributions.
- Segal does not provide investment, legal, accounting, or tax advice and is not acting as a fiduciary to the Plan. This withdrawal liability valuation report is based on Segal's understanding of applicable guidance in these areas and of the Plan's provisions, but they may be subject to alternative interpretations. The Trustees should look to their other advisors for expertise in these areas.
- While Segal maintains extensive quality assurance procedures, a withdrawal liability valuation involves complex computer models and numerous inputs. In the event that an inaccuracy is discovered after presentation of Segal's results, Segal may revise that valuation report or make an appropriate adjustment in the next valuation.
- Segal's withdrawal liability report shall be deemed to be final and accepted by the Trustees upon delivery and review. Trustees should notify Segal immediately of any questions or concerns about the final content.

## Section 1: Actuarial Valuation Summary

### Actuarial valuation results

- The unfunded vested liability as of December 31, 2024 is \$332.9 million excluding Affected Benefits pools (discussed below), a decrease of \$228.9 million from the prior year. The decrease in the unfunded vested liability since last year was primarily caused by the increase in the PBGC interest rates and investment gains on a market value basis.
- After writing down prior pools by 5%, a new negative basic pool of \$161.6 million was established for 2024. In addition, a reallocated pool of \$5.5 million was established for 2024 to reflect the portion of withdrawal liability that was determined to be not assessable or collectible from withdrawn employers in 2024.
- Under PPA'06, benefit reductions made while the Plan is in critical status are to be disregarded for withdrawal liability purposes. These adjustable benefit reductions are included in the Affected Benefits pools. The sum of the remaining balances of all Affected Benefits Pools (now \$27.0 million) will be allocated in the same manner as the new 2024 pools.
- The total amount allocable to withdrawing employers as of December 31, 2024 is \$402.2 million, which is the total unfunded vested liability plus the unamortized balance of reallocated pools and Affected Benefits pools, 37.1% lower than \$639.4 million in the prior year.

### Developments since last valuation

The following are developments since the last valuation, from December 31, 2023 to December 31, 2024:

- **Plan assets:** The net investment return on the market value of assets was 11.81% for the plan year ending December 31, 2024, compared to the assumed return of 7.0%.
- **Assumption changes:** Since the last valuation, the PBGC interest rates used to determine the funded portion of the present value of vested benefits changed, from 5.06% for 20 years and 4.37% thereafter to the yield curve as published by the PBGC for December 2024 and prescribed in ERISA regulations 4044.54(c). In addition, we changed actuarial assumptions related to mortality and retirement. New assumptions (other than the PBGC interest rates) were selected based on a review of recent plan experience, trends and expectations, representing the actuary's best estimate of anticipated experience under the Plan. In total, the new actuarial assumptions decreased the present value of vested benefits on the funding interest rate basis by 0.82%.
- **Rehabilitation Plan:** MPRA provides that contribution increases that go into effect after December 31, 2014 pursuant to a Rehabilitation Plan are disregarded in determining the allocation of unfunded vested liabilities and in determining the highest contribution rate for a payment schedule, although this does not apply to additional contributions that are used to provide an increase in benefits.

## Section 1: Actuarial Valuation Summary

### Summary of key valuation results

Valuation Result	2023	2024
<b>Demographic Data:</b>		
• Number of active vested participants	23,492	22,440
• Number of inactive vested participants	49,642	50,195
• Number of retired participants and beneficiaries	23,597	24,698
<b>Interest Assumptions:</b>		
• Funding rate	7.00%	7.00%
• PBGC rates	5.06% for 20 years, 4.37% thereafter	Yield Curve as of December 2024
<b>Present Value of Vested Benefits:</b>		
• Present value of vested benefits on funding basis	\$1,787,002,417	\$1,787,316,269
• Present value of vested benefits on PBGC basis, including allowance for expenses	2,261,287,083	2,088,353,679
• Present value of vested benefits measured for withdrawal liability purposes	2,112,181,365	2,032,284,278
<b>Unfunded Vested Liability:</b>		
• Market value of assets <sup>1</sup>	\$1,550,383,150	\$1,699,389,595
• Unfunded vested liability for withdrawal liability purposes (excluding Affected Benefits pools)	561,934,088	332,894,683
• Unamortized balance of Affected Benefits pools	37,543,718	26,973,407
• Unfunded vested liability for withdrawal liability purposes	599,477,799	359,868,090
• Unamortized balance of reallocated pools	40,017,627	42,372,759
• Total amount allocable to withdrawing employers	639,359,560	402,240,849
<b>New Withdrawal Liability Pools Established:</b>		
• Basic pool	(\$165,256,244)	(\$161,594,332)
• Reallocated pool	11,804,759	5,453,386

<sup>1</sup> Excludes \$3,737,666 and \$3,630,182 in withdrawal liability contributions receivable in 2023 and 2024, respectively



# Section 2: Determination of Withdrawal Liability

## Summary of MPPAA rules

The Multiemployer Pension Plan Amendments Act of 1980 (MPPAA) requires assessment of withdrawal liability to an employer that withdraws from the Plan. In general, “withdrawal” means the employer has permanently ceased operations under the Plan or has permanently ceased to have an obligation to contribute to the Plan. An employer is entitled to be advised, upon its request, of the amount of its potential withdrawal liability.

## Determination of unfunded vested liability

The amount of withdrawal liability is based on the Plan’s unfunded vested liability at the time of withdrawal. The “unfunded vested liability” refers to the value of vested benefits not covered by assets.

For withdrawal liability purposes, “vested benefits” are the benefits that are considered non-forfeitable if the participant incurs a permanent break in service. The value of these benefits is based on the Plan provisions as of the withdrawal liability valuation date.

Determinations of the value of the liability for vested benefits are based on a set of actuarial assumptions. The law prescribes that the assumptions and methods used must be reasonable in the aggregate and “offer the actuary’s best estimate of anticipated experience under the plan.” It also authorizes the PBGC to promulgate assumptions and methods for use by the Plan’s actuary. However, the PBGC has not yet promulgated any final regulations related to assumptions or methods for determining the value of liability for vested benefits for withdrawal liability purposes.

The actuarial assumptions and methods are reasonable (taking into account the experience of the Plan and reasonable expectations) and, in combination, represent the actuary’s best estimate of anticipated experience under the Plan to determine the unfunded vested benefits for withdrawal liability purposes.

## Method for allocating withdrawal liability

The Plan determines the liability of an employer that has completely withdrawn on the basis of the statutory presumptive method defined in Section 4211(b) of ERISA.

The liability of an employer for complete withdrawal from the Plan is determined as the sum of the unamortized balances, as of the end of the plan year preceding withdrawal, of the employer’s prorated shares of each of the following:

## Section 2: Determination of Withdrawal Liability

- The Plan's unfunded vested liability as of December 31, 2002
- The change in the Plan's unfunded vested liability as of the end of each subsequent plan year (to the end of the plan year preceding withdrawal)
- Reallocated amounts that would have been payable to the Plan as withdrawal liability payments for withdrawals in preceding years, except that they were non-assessable under certain statutory provisions or not collectible.
- Amounts representing the present value of vested benefits eliminated due to implementation of the Rehabilitation Plan (Affected Benefits).

The PBGC has affirmed that a multiemployer plan may assess withdrawal liability to employers that withdraw even if the plan currently has no unfunded vested liability.

### Initial amount

The Plan's unfunded vested liability as of December 31, 2002 was determined by subtracting the value of Plan assets from the value of vested benefits under the Plan.

### Annual changes

The change in the Plan's unfunded vested liability as of the end of any plan year is generally determined as follows:

- By establishing the Plan's unfunded vested liability as of the end of that plan year
- By subtracting the total, not less than zero, of (a) the unamortized balance of the unfunded vested liability as of December 31, 2024 and (b) the unamortized balances of each previous annual change after December 31, 2024

A "positive" change represents an unfunded vested liability greater than the total of the unamortized balances and is an addition to potential liability assessments for future withdrawals. A "negative" change represents an unfunded vested liability lower than the total of unamortized balances and is a credit against amounts that would otherwise determine potential liability assessments for future withdrawals.

### Reallocated amounts

The total amount, if any, of unfunded vested liability determined in any plan year after December 31, 1979 to be non-assessable or uncollectible with respect to employers that withdrew is established as an amount to be prorated among each of the participating employers as an additional withdrawal liability amount. Non-assessable amounts consist of amounts deducted under the *de minimis*

## Section 2: Determination of Withdrawal Liability

rule (ERISA Section 4209), amounts not payable because of the 20-year limit (ERISA Section 4219(c)(1)), and amounts not payable because of the limitations in the event of sale of all of the employer's assets (ERISA Section 4225). Uncollectible amounts consist of amounts that the Trustees have determined are uncollectible for reasons arising out of cases under federal bankruptcy law or similar proceedings. They also include any other amount of assessed liability determined by the Plan's Trustees to be uncollectible.

Each annual reallocable amount is written down by 5% of the original amount for each full year from the date as of which it was originally determined to the end of the plan year preceding withdrawal.

### Affected benefits

A pool is added to the total amount representing the value of vested benefits that were eliminated during the year due to implementation of the Rehabilitation Plan. This pool, called the Affected Benefits pool, is amortized over 15 years at the interest rate used for plan funding for the plan year for which the pool is established.

### Unamortized balances

The "unamortized balance" of each of these sources of liability assessment (other than Affected Benefits pools) is determined by reducing each figure by 5% of its original amount for each full year from the end of the plan year as of which the charge was originally determined to the end of the plan year immediately preceding withdrawal.

### Proration to the employer

For determining the amount of its liability in the event of its complete withdrawal, the initial amount of unfunded vested liability, each annual change in the unfunded vested liability and each annual reallocable amount is prorated to an employer on the basis of a ratio of contributions. The ratio is the employer's obligated contributions to the Plan to total employer contributions made to the Plan during an "apportionment base period," consisting of the 5 years ending with the end of the plan year as of which each of the amounts was determined.

The total of employer contributions with respect to an apportionment base period is reduced by contributions otherwise included in the total that were made by [an/a significant] employer that withdrew from the Plan in or before the plan year in which the change or reallocation arose. The total is also reduced by any employer surcharges paid to a plan that resulted from the plan being in critical status under PPA '06. MPRA provides that contribution increases that go into effect during plan years beginning after December 31, 2014 that are deemed to be required to be made to enable the plan to meet Rehabilitation Plan requirements are also disregarded, unless the additional contributions are used to provide an increase in benefits, including an increase in future benefit accruals.

## Section 2: Determination of Withdrawal Liability

The unamortized balances of all Affected Benefits pools are allocated based on the ratio of contributions (as described above) for the 5 years ending as of the year prior to an employer's withdrawal.

### ***De minimis***

Each withdrawal liability assessment is the total of the unamortized balances of the allocation amounts, as defined above, less a *de minimis* deductible. The deductible is \$50,000 but not more than  $\frac{3}{4}\%$  of the Plan's unfunded vested liability. This deductible amount is reduced, dollar for dollar, by the amount by which the total of charges prorated to the employer exceeds \$100,000.

### **Payment of withdrawal liability**

A withdrawn employer's withdrawal liability assessment is payable in quarterly installments. The quarterly installment is calculated as one-fourth of the product of:

- The average base units in the three consecutive years that produce the highest average within the 10-year period ending before the plan year of withdrawal.
- The highest contribution rate in the 10-year period ending with the plan year of withdrawal.

Per MPRA, any contribution surcharges for which the obligation accrues on or after December 31, 2014 or any increases in the contribution rate required under a Funding Improvement or a Rehabilitation Plan that go into effect during plan years beginning after December 31, 2014 are excluded from the determination of the highest rate in the 10-year period described above, unless the additional contributions are used to provide an increase in benefits, including an increase in future benefit accruals.

The number of quarterly installments is calculated on the basis of the amount of withdrawal liability and interest at the actuarial valuation rate used for funding purposes. Payments are limited to a maximum of 20 years.

Under certain circumstances, as allowed by ERISA, the Trustees may require immediate payment of withdrawal liability assessments.

### **Maintenance of allocations**

Even if no employer withdrawal had occurred in a given year, an annual determination of the Plan's unfunded vested liability, and of any reallocable uncollectible withdrawal liability amounts, is required. The Plan must be in a position to allocate liability to any particular employer based on its contribution history. These procedures and records are necessary in order to be able to determine

## Section 3: Actuarial Certificate

an assessment should withdrawal occur and also to respond to an inquiry from a participating employer as to the amount of its potential liability.

### **Partial withdrawal**

The withdrawal may also be partial. A “partial withdrawal” occurs if there is a 70% decline in the number of contribution base units or there is a partial cessation of the employer’s obligation to contribute. A 70% decline occurs if the contribution base units in the plan year and the preceding two plan years (the testing period) are less than 30% of contribution base units for the high base year. The “high base year” is the average of the base units in the two plan years in which the base units were the highest within the five plan years preceding the testing period. A partial withdrawal may also occur if an employer ceases to have an obligation to contribute under one or more, but not all of its collective bargaining agreements, and continues work in the jurisdiction, or if the employer permanently ceases to be obligated to contribute for work performed at one or more, but not all, of the facilities covered but continues the work at that facility.

Under a partial withdrawal, the amount of liability is equal to the amount of withdrawal liability for a complete withdrawal (net of any deductible), multiplied by a fraction, which is one minus a ratio. The ratio is that of the employer’s contribution base units in the plan year following the year of the partial withdrawal to the employer’s average contribution base units in the five plan years preceding the year of the partial withdrawal.

### **Plan reentry**

PBGC has issued regulations describing the procedure to be followed in the event an employer reenters the Plan after incurring withdrawal liability. Withdrawal liability will be abated if the post-re-entry level of contribution base units exceeds 30% of the average of the contribution base units in the two plan years in which the base units were the highest, within the five plan years preceding the plan year of withdrawal, provided the employer posts a bond or escrow account equal to 70% of the withdrawal liability payments otherwise due. In the event of a withdrawal following reentry, the withdrawal liability is adjusted to reflect prior withdrawal liability payments.

## Section 3: Actuarial Certificate

# Section 3: Actuarial Certificate


December 19, 2025

### Certificate of Withdrawal Liability Actuarial Valuation

This is to certify that Segal has prepared an actuarial valuation of the SEIU National Industry Pension Fund as of December 31, 2024 to calculate the pools used to assess withdrawal liability to employers who withdraw during the plan year beginning January 1, 2025. The calculations were performed in accordance with generally accepted actuarial principles and practices. This valuation report may not otherwise be copied or reproduced in any form without the consent of the Board of Trustees and may only be provided to other parties in its entirety.

The valuation was based on information supplied by the auditor with respect to contributions and assets and by the Plan Administrator with respect to the data required on participants. We have not verified and customarily would not verify such information, but we have no reason to doubt its substantial accuracy.

I am a member of the American Academy of Actuaries, and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of my knowledge, the information supplied in this Actuarial Valuation is complete and accurate, except as noted in Exhibit A, and in my opinion the assumptions used, in the aggregate, (a) are reasonable (taking into account the experience of the Plan and reasonable expectations) and (b) represent my best estimate of anticipated experience under the Plan.

  
\_\_\_\_\_  
Maria Kirilenko, ASA, FCA, MAAA, EA  
Vice President and Actuary  
Enrolled Actuary No. 23-8331

## Section 3: Actuarial Certificate

### Exhibit A: Calculation of unfunded vested liability

The valuation was made with respect to the following data supplied to us by the Plan Administrator:

Item	Amount
Participants active with vested rights (including 140 participants with unknown age)	22,440
Participants inactive with vested rights (including 356 participants with unknown age)	50,195
Pensioners as of the valuation date (including 2,974 beneficiaries in pay status)	24,698
<b>Total participants</b>	<b>96,565</b>

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

Item	Amount
Present value of vested benefits at funding interest rate	\$1,787,316,269
Present value of vested benefits at PBGC interest rates, including allowance for expenses	2,088,353,679
Market value of assets <sup>1</sup>	1,699,389,595
Funded ratio at PBGC interest rates <sup>2</sup>	81.37%
Present value of vested benefits for withdrawal liability purposes (excluding Affected Benefits pools)	\$2,032,284,278
Unfunded vested liability, not less than zero (excluding Affected Benefits pools)	332,894,683
Unamortized balance of Affected Benefits pools	\$26,973,407
Unamortized balance of reallocated pools	42,372,759

<sup>1</sup> Excludes \$3,630,182 in withdrawal liability contributions receivable

<sup>2</sup> Shown rounded to two decimal places

## Section 3: Actuarial Certificate

### Exhibit B: Withdrawal liability pools

#### Original Pool Amount and Unamortized Balances on December 31, 2024<sup>1</sup>

Plan Year Ended December 31	Unfunded Vested Liability	Original Basic Pool	Original Reallocated Pool	Original Affected Benefits Pool	Unamortized Basic Pool	Unamortized Reallocated Pool	Unamortized Affected Benefits Pool
12/31/2005	\$309,123,374	\$8,147,090	\$332,556	\$0	\$407,355	\$16,628	\$0
12/31/2006	221,877,099	(69,797,233)	309,377	0	(6,979,723)	30,938	0
12/31/2007	265,952,386	58,034,470	1,560,668	0	8,705,171	234,100	0
12/31/2008	374,938,539	125,847,056	4,753,963	0	25,169,411	950,793	0
12/31/2009	564,231,249	212,445,967	1,086,260	0	53,111,492	271,565	0
12/31/2010	596,269,534	65,813,840	5,266,915	43,142,314	19,744,152	1,580,075	4,546,487
12/31/2011	748,590,819	189,387,534	2,678,722	18,294,397	66,285,637	937,553	3,721,348
12/31/2012	803,897,811	101,842,615	3,793,197	36,195,775	40,737,046	1,517,279	10,663,505
12/31/2013	799,404,334	47,134,279	6,014,428	17,607,718	21,210,426	2,706,493	6,681,001
12/31/2014	842,323,777	96,903,911	282,304	2,613,854	48,451,956	141,152	1,198,052
12/31/2015	916,670,702	133,176,591	4,992,241	306,559	73,247,125	2,745,733	163,014
12/31/2016	975,624,636	124,442,426	2,908,061	0	74,665,456	1,744,837	0
12/31/2017	901,378,253	(2,535,766)	1,003,529	0	(1,648,248)	652,294	0
12/31/2018	920,457,011	90,662,584	731,761	0	63,463,809	512,233	0
12/31/2019	903,398,399	59,058,345	6,570,578	0	44,293,759	4,927,934	0
12/31/2020	1,007,521,692	183,193,166	1,091,475	0	146,554,533	873,180	0
12/31/2021	824,046,259	(95,245,902)	1,249,700	0	(80,959,017)	1,062,245	0
12/31/2022	801,714,693	61,135,674	5,333,133	0	55,022,107	4,799,820	0
12/31/2023	561,798,215	(165,256,244)	11,804,759	0	(156,993,432)	11,214,521	0
12/31/2024	332,894,683	(161,594,332)	5,453,386	0	(161,594,332)	5,453,386	0

<sup>1</sup> Basic and reallocated pools are written down annually at the rate of 5% of the original amount. The Affected Benefits pools are amortized over 15 years at the interest rate used for plan funding for the year for which the pool was established.



## Section 3: Actuarial Certificate

### Exhibit C: Statement of actuarial assumptions, methods and models

#### Rationale for assumptions

Current data is reviewed in conjunction with each annual valuation.

#### Investment return

To the extent the vested benefits are matched by the market value of plan assets on hand: interest assumptions prescribed by the Pension Benefit Guaranty Corporation under 29 C.F.R. Ch. XL, Part 4044, which are in effect for the applicable withdrawal liability valuation date, are used.

- PBGC Interest Rates as of December 31, 2024:
  - the 4044 interest rates are as specified in the PBGC yield curve published for December 2024

To the extent the vested benefits are not matched by plan assets (at market), the interest assumption is the same as used for plan funding: 7.00% in the actuarial valuation for the year beginning on the day following the withdrawal liability valuation date.

The portion of the vested benefits that is matched by readily available assets is determined by comparing the total present value of vested benefits plus expenses – at PBGC rates – with the total market value of assets; each vested benefit is treated as covered by assets to the same extent as all other vested benefits.

- The present value of vested benefits is based on a blend of two liability calculations:
  - The first calculation applies to benefits that could be settled immediately because assets on hand are sufficient to cover their market value. Since withdrawal liability is a final settlement of an employer's obligation to the Plan, the discount rates used are based on estimated annuity purchase rates. ERISA Sec. 4044 interest rates promulgated by the PBGC for multiemployer plans terminating by mass withdrawal on the measurement date are used as a proxy for annuity purchase rates.
  - The second calculation applies to benefits that cannot be settled immediately because they are not currently funded. This calculation uses the interest rate determined by the plan actuary for minimum funding, based on the expected return on current and future assets.

Affected Benefits liabilities are valued at the same interest rate assumption used for plan funding for the plan year for which the pool is established.

## Section 3: Actuarial Certificate

### Administrative expenses

As per PBGC reg. 4044.52(d): the sum of:

1. \$400 times the lesser of total participant count or 100
2. \$250 times the excess, if any, of the total participant count over 100

This sum is then multiplied by an applicable inflation multiplier, which equals the CPI-U for the September of the calendar year preceding the calendar year that contains the measurement date, divided by 296.808 (this multiplier cannot be less than one).

### Valuation of assets

At market value, excluding withdrawal liability contributions receivable. Assets held by insurance companies in general accounts are included at liquidation value if known; otherwise, they are included at estimated value.

### All other assumptions

The same as used for minimum funding purposes as of the valuation date that is the day following the date for determination of unfunded vested liability, as described in the January 1, 2025 actuarial valuation report.

### Allocation method

Presumptive

### Contribution period for prorating liabilities

5 years

### *De minimis* deductible

\$50,000, or 3/4 of 1% of the unfunded vested liability, if smaller. The deductible is reduced, dollar for dollar, if the gross assessment is in excess of \$100,000.

### Free look

An employer that withdraws after having been in the plan for no more than 5 plan years has no withdrawal liability, provided the employer was at all times responsible for less than 2% of contributions made to the plan for each year that it participated.

## Section 3: Actuarial Certificate

### Affected benefits pools

The Affected Benefits pools (as described by PBGC Technical Update 10-3) represent the present value of vested benefits that were eliminated each year due to implementation of the Rehabilitation Plan. Each pool is determined using the same interest rate assumption used for plan funding for the plan year for which it is established and is amortized over 15 years at that interest rate.

### Actuarial models

Segal valuation results are based on proprietary actuarial modeling software. The actuarial valuation models generate a comprehensive set of liability and cost calculations that are presented to meet regulatory, legislative and client requirements. Our Actuarial Technology and Systems unit, comprised of both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility, and user control. The client team programs the assumptions and the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible actuary.

### Changes in assumptions

Based on professional judgment, the following actuarial assumptions were changed, as described in the January 1, 2025 valuation report:

- Loads on the disabled mortality base table and projection scale were removed,
- Retirement rates for active and inactive vested participants were updated based on recent experience.

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### Exhibit D: Summary of plan provisions

This exhibit summarizes the major provisions of the Plan included in the valuation. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions.

#### Plan year

January 1 through December 31

#### Pension credit year

January 1 through December 31

#### Plan status

Ongoing plan

#### Normal pension

- **Age Requirement:** 65
- **Service Requirement:** Five years of Vesting Service or Pension Credits, including 3 years Future Service
- **Amount for Benefit Accruals on or after January 1, 2010:** 1.75% of contributions (1.0% for participants under the Default Schedule of the Rehabilitation Plan)
- **Amount for Benefit Accruals on or after January 1, 2008 through December 31, 2009:** 2.50% of contributions for those whose first contribution date is prior to January 1, 2008, and 2.25% of contributions for those whose first (or first after a permanent break in service) contribution date is on or after January 1, 2008.
- **Amount for Benefit Accruals through December 31, 2007:** Greater of A) 3.00% of contributions for hours worked through December 31, 2007, made on employee's behalf (the Contributions Formula), or B) amount based on the "Benefit Table Formula" in Section 7.04 of the Plan for pension credits earned through December 31, 2004, plus 90% of the scheduled amount for pension credits earned after December 31, 2007. In addition, a 7.35% increase is applied to future service benefits accrued through December 31, 2003, if service is earned on or after January 1, 2001.
- For former participants in the Pittsburgh Building Employees' Pension Fund, the benefit amount will not be less than:

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- Accrued benefit as of merger date (1/1/91) plus SEIU future accrual rate per the Benefit Table Formula for up to 25 years total service
- If over age 50, or more than 25 years of credited service as of January 1, 1991: accrued benefit as of merger date plus 2% of employer contributions thereafter.
- For former participants in the Building Service Employees Pension Plan (BSEPP), the benefit amount through December 31, 2007 is the greater of the following:
  - The accrued benefit as of the merger date (5/1/94) plus 40.8% of the accrued benefit at merger, all multiplied by an index factor (as defined below), plus the SEIU future accrual rate per the “Benefit Table” formula for up to 24 total years of service following merger (90% of the scheduled accrued rate for service after December 31, 2004). The index factor is determined by dividing the Hourly Contribution rate at retirement by the BSEPP Contribution Rate as of May 1, 1994, subtracting 1.0, then multiplying the result by 72.5% and adding back 100%. The index factor cannot exceed 200% nor be less than 100%.
  - 2.25% of total contributions plus the Past Service benefit before merger, increased by 40.8%, plus 3.00% of total contributions after merger through December 31, 2004, plus 2.70% of total contributions after December 31, 2004, through December 31, 2007.
  - In addition, a 7.35% increase is applied to future service benefits accrued through December 31, 2003.
- For former participants in the Service Employees of Michigan Race Tracks Pension Fund (MIRT), the benefit amount is the accrued benefit as of the merger date (4/1/2000), plus the SEIU future accrual rate per the Benefit Table Formula for up to 25 years of service following merger (90% of the scheduled accrued rate for service after December 31, 2004). In additions, a 7.35% increase is applied to future service benefits accrued from June 1, 2003 through December 31, 2003.
- Past Service benefit levels may be lower than those shown above for certain employers. Pre-participation credit is assigned at employer entry based on policies set by Trustees. Current policy (effective January 1, 2008) is to grant up to 7 years for vesting status, and up to 2 years of full pension credit (at 50% of the contribution rate), multiplied by 1,800 hours (or other appropriate basis for contributions not made on an hourly basis), for new groups that constitute less than 1% of the Plan’s current active participants.

### Early pension

- **Age Requirement:** 55
- **Service Requirement:** Vested Status
- **Amount**
- : Normal Pension accrued, actuarially reduced from age 65

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### Contributions considered

- Contributions used for benefit calculation purposes exclude any surcharges or non-benefit bearing contribution rate increases prescribed by the Rehabilitation Plan.

### Vesting

- **Age Requirement:** None
- **Service Requirement:** A) 5 years of Vesting Credit or B) 5 years of Pension Credit with at least 1 year (3 years if not yet a participant at 12/31/2004) of Future Service.
- **Amount:** Same as Normal Pension; if payable before age 65, benefit is actuarially reduced.
- **Normal Retirement Age:** 65 or age on the fifth anniversary of participation, if later.

### Medicare Supplement (for covered BSEPP participants in pay status as of December 31, 2009)

- **Age Requirement:** None
- **Service Requirement:** Vested Status
- **Amount:** \$54.00 per month commencing at age 65 for employees vested prior to merger or with at least 10 vesting credits earned prior to January 1, 2005. For others, benefit is multiplied by 50%, plus 5% for each ½ Vesting Credit earned prior to January 1, 2005, in excess of 5 (but not greater than 100%)

### Spouse's pre-retirement death benefit

- **Age Requirement:** None
- **Service Requirement:** Vested Status
- **Amount:** 50% of the benefit participant would have received upon retirement, having elected the Husband and Wife option. The amount is payable immediately if the employee's death occurred after age 55. If employee died before age 55, the spouse's benefit is deferred to the month after the employee would have attained age 55.
- **Charge for Coverage:** None

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### Pension credit

Contributions in Calendar Year for hours	Years of Credit
1,800 or more	1.00
1,600 to 1,799	0.90
1,400 to 1,599	0.80
1,200 to 1,399	0.70
1,000 to 1,199	0.60
800 – 999	0.50
600 - 799	0.40
500 – 599	0.30
400 – 499	0.25
300 – 399	0.20
200 – 299	0.15
180 – 199	0.10

### Vesting credit

One credit for 700 or more hours of Covered employment in a Calendar Year; one-half credit for 350 or more hours. For seasonal employees, one credit for 120 or more hours of Covered Employment in a Calendar Year.

### Estimated average hourly contribution rate (for benefit purposes)

Employee Group	On 1/1/2024	On 1/1/2025
Seasonal Employees	\$1.7484	\$1.6280
Other Employees	0.4655	0.4414

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### **Progress of rehabilitation plan (schedule adoption)**

As of January 1, 2025, 87.6% of active participants are covered by the Preferred schedule (with 17.1% being in a “New Contribution Group” as defined in the October 2019 Rehabilitation Plan addendum) and 12.4% are covered by the Default schedule.

### **Changes in plan provisions**

None, other than the effect of contribution increases bargained beyond those mandated by the Rehabilitation Plan schedules.