WESTERN INDEPENDENT SHOPS PENSION PLAN
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2022 Annual Funding Notice
for the
STEELWORKERS WESTERN INDEPENDENT SHOPS PENSION PLAN

Introduction

This notice includes important information about the funding status of your multiemployer pension plan (the "Plan"). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. All traditional pension plans (called "defined benefit pension plans") must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is required by federal law. This notice is for the plan year beginning October 1, 2022 and ending September 30, 2023 (the "Plan Year").

How Well Funded is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the "funded percentage." The Plan divides its assets by its liabilities on the Valuation Date for the Plan Year to get this percentage. In general, the higher the percentage, the better funded the plan. The Plan's funded percentage for the Plan Year and each of the two preceding plan years is shown in the chart below. The chart also states the value of the Plan's assets and liabilities for the same period.

	2022 Plan Year (October 1, 2022 to September 30, 2023)	**2021 Plan Year** (October 1, 2021 to September 30, 2022)	**2020 Plan Year** (October 1, 2020 to September 30, 2021)
Valuation Date	October 1, 2022	October 1, 2021	October 1, 2020
Funded Percentage	85.1%	85.3%	84.2%
Value of Assets	$118,141,353	$119,167,726	$115,506,490
Value of Liabilities	$138,784,764	$139,692,360	$137,181,987

Year-End Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date. They also are "actuarial values," not market values. Actuarial values differ from market values in that they do not fluctuate daily based on changes in the stock market or other markets. Actuarial values smooth out those fluctuations and can allow for more predictable levels of future contributions. Despite the fluctuations, market values tend to show a clearer picture of a plan's funded status at a given point in time. The asset values in the chart below are market values and are measured on the last day of the Plan Year. The chart also includes the year-end market value of the Plan's assets for each of the two preceding plan years.

	September 30, 2023	September 30, 2022	September 30, 2021
Fair Market Value of Assets	$110,427,035*	$106,716,314	$127,601,893

* The fair market value of assets shown for September 30, 2023 is an estimate based on the most accurate unaudited financial information available at the time this notice was prepared. The final audited information on the Plan's assets will be included in its 2023 annual report filed with the US Department of Labor in July 2025.

Endangered, Critical, or Critical and Declining Status

Under federal pension law, a plan generally is in "endangered" status if its funded percentage is less than 80 percent. A plan is in "critical" status if the funded percentage is less than 65 percent. A plan is in "critical and declining" status if it is in critical status and is projected to become insolvent (run out of money to pay benefits) within 15 years (or within 20 years if a special rule applies). In addition, other factors, including the value of benefits earned during the year and the value of employer contributions and investment earnings for the year may also affect whether a plan is in endangered, critical or critical and declining status. If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status or critical and declining status, the trustees of the plan are required to adopt a rehabilitation plan. Funding improvement and rehabilitation plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time. The plan sponsor of a plan in critical and declining status may apply for approval to amend the plan to reduce current and future payment obligations to participants and beneficiaries.

The Plan was not in endangered, critical or critical and declining status in the 2022 Plan Year.

Participant Information

The total number of participants and beneficiaries covered by the Plan on the 2022 Valuation Date was 2,747. Of this number, 416 were current employees, 1,241 participants were retired and receiving benefits, 876 participants were retired or no longer working for the employer and have a right to future benefits, and 214 beneficiaries were either receiving benefits or had a right to future benefits.

Funding & Investment Policies

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. Plan benefits are funded by employer contributions and investment returns on those contributions. Employer contributions are based on a contribution rate established through collective bargaining. Under the Plan's funding policy, based on the level of those employer contributions and the investment performance of the Plan's assets, the Trustees will establish and adjust the levels of Plan benefits as necessary to satisfy the minimum funding standards of the Employee Retirement Income Security Act of 1974 (ERISA) and the Internal Revenue Code. The funding policy works in coordination with the Plan's investment policy by spreading investment gains and losses over several years, helping to reduce volatility in the value of Plan assets recognized for funding purposes.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The Plan's investment policy is to maintain a diversified portfolio of professionally managed investments. Although individual investment categories within the portfolio may have different risk and return characteristics, the risk profile of the Plan's overall investment portfolio is conservative in nature. The Plan Trustees, working closely with experienced consultants and investment managers, monitor and make appropriate changes to the Plan's investments, seeking to achieve positive long-term investment performance.

Under the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the 2022 Plan Year. These allocations are percentages of total assets:

Asset Allocations	Percentage
Equity Investments	
Large Cap Equity Domestic	21.4%
Small Cap Equity Domestic	4.5%
Large Cap Equity International	17.1%
Fixed Income Investments	28.8%
Real Estate Investments	15.8%
Other Investments	12.4%

Right to Request a Copy of the Annual Report

Pension plans must file annual reports with the US Department of Labor. The report is called the "Form 5500." These reports contain financial and other information. The Plan's 2021 annual report is available now. The Plan's 2022 annual report will be available after it is filed with the US Department of Labor in July 2024. You may obtain a copy of the Plan's annual report by making a written request to the Plan administrator, BeneSys Administrators, at 7180 Koll Center Pkwy, Pleasanton, CA 94566. There will be a charge for the annual report to cover copying costs. You may obtain an electronic copy of your Plan's annual report by going to www.efast.dol.gov and using the search tool. Annual reports are also available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling 202-693-8673. Annual reports do not contain personal information, such as the amount of your accrued benefit. You may contact BeneSys Administrators if you want information about your accrued benefits.

Summary of Rules Governing Plans in Reorganization and Insolvent Plans

Federal law has a number of special rules that apply to financially troubled multiemployer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available resources. If such resources are not enough to pay benefits at the level specified by law (see "Benefit Payments Guaranteed by the PBGC," below), the plan must apply to the PBGC for financial assistance. The PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

Benefit Payments Guaranteed by the PBGC

The maximum benefit that the PBGC guarantees is set by law. Only benefits that you have earned a right to receive and that cannot be forfeited (called vested benefits) are guaranteed. There are separate insurance programs with different benefit guarantees and other provisions for single-employer plans and multiemployer plans. Your plan is covered by PBGC's multiemployer program. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first $11 of the Plan's monthly benefit accrual rate, plus 75 percent of the next $33 of the accrual rate, times each year of credited service. The PBGC's maximum guarantee, therefore, is $35.75 per month times a participant's years of credited service.

Example 1: If a participant with 10 years of credited service has an accrued monthly benefit of $600, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant's years of service ($600/10), which equals $60. The guaranteed amount for a $60 monthly accrual rate is equal to the sum of $11 plus $24.75 (.75 x $33), or $35.75. Thus, the participant's guaranteed monthly benefit is $357.50 ($35.75 x 10).

Example 2: If the participant in Example 1 has an accrued monthly benefit of $200, the accrual rate for purposes of determining the guarantee would be $20 (or $200/10). The guaranteed amount for a $20 monthly accrual rate is equal to the sum of $11 plus $6.75 (.75 x $9), or $17.75. Thus, the participant's guaranteed monthly benefit would be $177.50 ($17.75 x 10).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In addition, the PBGC guarantees qualified preretirement survivor benefits (which are preretirement death benefits payable to the surviving spouse of a participant who dies before starting to receive benefit payments). In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under the plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

For additional information about the PBGC and the pension insurance program guarantees, go to the Multiemployer Page on PBGC's website at www.pbgc.gov/multiemployer. Please contact your employer or plan administrator for specific information about your pension plan or pension benefit. PBGC does not have that information. See "Where to Get More Information," below.

Where to Get More Information

For more information about this notice, you may contact BeneSys Administrators at 844-535-7055 or at 7180 Koll Center Pkwy, Suite #200, Pleasanton, CA 94566. For identification purposes, the official plan number is 001, the Plan sponsor is the Board of Trustees of the Steelworkers Western Independent Shops Pension Plan, and the Plan sponsor's employer identification number or "EIN" is 90-0169564.