ANNUAL FUNDING NOTICE
FOR
Int'l Assoc. of S.M.A.R.T. Workers Local Union 268 Pension Trust & Plan Agreement

Introduction
This notice provides key details about your multiemployer pension plan (the "Plan") for the plan year beginning 06/01/2024 and ending 05/31/2025 (Plan Year).

This is an informational notice. You do not need to respond or take any action.
This notice includes:

- Information about your Plan's funding status.
- Details on your benefit payments guaranteed by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency.

What if I have questions about this notice, my Plan, or my benefits?
Contact your plan administrator at:

- Plan Administrator: Trustees of the Int'l Assoc. of S.M.A.R.T. Workers Local Union 268 Pension Plan
- Phone: 618-397-1443
- Address: 2727 North 89th Street, Caseyville, IL 62232-2316

To better assist you, provide your plan administrator with the following information when you contact them:

- Plan Number: 001
- Plan Sponsor Name: Sheet Metal Workers Local Union No. 268
- Employer Identification Number: 37-0557803

What if I have questions about PBGC and the pension insurance program guarantees?
Visit www.pbgc.gov/prac/multiemployer for more information. For specific information about your pension plan or pension benefits, you should contact your employer or plan administrator as PBGC does not have that information. Federal law requires all traditional pension plans, also known as defined benefit pension plans, to provide this notice every year regardless of funding status. This notice does not mean your Plan is terminating.

How Well Funded Is Your Plan
The law requires the Plan's administrator to explain how well the Plan is funded, using a measure called the "funded percentage." The funded percentage is calculated by dividing Plan assets by Plan liabilities. In general, the higher the percentage, the better funded the plan. The chart below shows the Plan's funded percentage for the Plan Year and the two preceding plan years. It also lists the value of the Plan's assets and liabilities for those years.

Funded Percentage

	2024 Notice Year	2023 Notice Year	2022 Notice Year
Valuation Date	06/01/2024	06/01/2023	06/01/2022
Funded Percentage	99.64%	100.08%	98.90%
Value of Assets	$55,270,426	$53,694,195	$50,754,780
Value of Liabilities	$55,471,678	$53,649,415	$51,318,644

Year-End Fair Market Value of Assets
To provide further insight into the Plan's financial position, the chart below shows the fair market value of the Plan's assets on the last day of the Plan Year and each of the two preceding plan years as compared to the actuarial value of the Plan's assets on 05/31.

- **Actuarial values (shown in the chart above)** account for market fluctuations over time. Unlike market values, actuarial values do not change daily with stock or market shifts.
- **Market values (shown in the chart below)** fluctuate based on investment performance, providing a more immediate snapshot of the plan's funding status.

	05/31/2025	05/31/2024	05/31/2023
Fair Market Value of Assets	$64,889,565	$59,923,910	$51,991,240

Endangered, Critical or Critical and Declining Status

Under federal pension law, a plan's funding status determines the steps a plan must take to strengthen its finances and continue paying benefits:

- **Endangered:** The plan's funded percentage drops below 80 percent. The plan's trustees must adopt a funding improvement plan.
- **Critical:** The plan's funded percentage falls below 65 percent or meets other financial distress criteria. The plan's trustees must implement a rehabilitation plan.
- **Critical and Declining:** A plan in critical status is also designated as critical and declining if projected to become insolvent - meaning it will no longer have enough assets to pay out benefits - within 15 years (or within 20 years under a special rule). The plan's trustees must continue to implement the rehabilitation plan. The plan's sponsor may seek approval to amend the plan, including reducing current and future benefits.

The Plan was not in endangered, critical or critical and declining status in the Plan Year. If the Plan is in endangered, critical or critical and declining status for the plan year ending 05/31/2026, a separate notification of that status has or will be provided.

Participant and Beneficiary Information

The following chart shows the number of participants and beneficiaries covered by the Plan on the last day of the Plan Year and the two preceding years. The numbers for the Plan Year reflect the plan administrator's reasonable, good faith estimate.

Number of participants and beneficiaries on last day of relevant plan year	2024	2023	2022
1. Last day of plan year	5/31/2025	5/31/2024	5/31/2023
2. Participants currently employed	361	361	351
3. Participants and beneficiaries receiving benefits	346	346	334
4. Participants and beneficiaries entitled to future benefits (but not receiving benefits)	140	140	145
5. Total number of covered participants & beneficiaries (Lines 2 + 3 + 4 = 5)	847	847	830

At the time of this mailing, the 6/1/2025 census has not been finalized. The reported counts as of 05/31/2025 are based on a reasonable, good faith estimate.

Funding & Investment Policies

Every pension plan must have a procedure to establish a funding policy to meet its objectives. The funding policy relates to how much money is needed to pay promised benefits. The Plan's funding policy is to provide for contributions to the plan in amounts that are estimated to fully provide all participating members benefits by the time they retire. Under the terms of the collective bargaining agreement, each sheet metal contractor employing member sheet metal workers contributes $3.52 per each hour worked to the plan. Effective 7/1/2024 the contribution rate is $3.62 per hour worked.

Pension plans also have investment policies that provide guidelines for making investment management decisions. The Plan's investment policy of the Plan is to preserve the safety of the principal, to earn the highest possible total return consistent with prudent levels of risk, and create a stream of investment returns to insure the adequate funding of the Plan benefits.

As of the end of the Plan Year, the Plan's assets were allocated among the following investment categories as percentages of total assets:

Asset Allocations	Percentage
1. Cash (Interest and non-interest bearing)	0.23%
2. U.S. Government securities	1.61%
3. Corporate debt instruments (other than employer securities):	
Preferred	0.00%
All other	0.00%
4. Corporate stocks (other than employer securities):	
Preferred	0.00%

Common	0.00%
5. Partnership/joint venture interests	0.00%
6. Real estate (other than employer real property)	0.00%
7. Loans (other than to participants)	0.00%
8. Participant loans	0.00%
9. Value of interest in common/collective trusts	4.42%
10. Value of interest in pooled separate accounts	10.15%
11. Value of interest in master trust investment accounts	0.00%
12. Value of interest in 103-12 investment entities	0.00%
13. Value of interest in registered investment companies like, mutual funds	75.25%
14. Value of funds held in insurance company general account (unallocated contracts)	8.34%
15. Employer-related investments:	
Employer securities	0.00%
Employer real property	0.00%
16. Buildings and other property used in plan operation	0.00%
17. Other	0.00%

For information about the Plan's investment in any of the following types of investments - common/collective trusts, pooled separate accounts, or 103-12 investment entities – contact Jeff Bauer, the plan administrator at 2727 North 89th Street, Caseyville IL 62232-2316 and phone number, 618-397-1443.

The average return on assets for the Plan Year ending **5/31/2025** was **9.50%.**

Right to Request a Copy of the Annual Report

Pension plans must file an annual report, called the Form 5500, with the US Department of Labor. The Form 5500 includes financial and other information about these pension plans.You can get a copy of your Plan's Form 5500:

- **Online**: Visit www.efast.dol.gov to search for your Plan's Form 5500.
- **By Mail**: Submit a written request to your plan administrator.
- **By Phone**: Call (202) 693-8673 to speak with a representative of the U.S. Department of Labor, Employee Benefits Security Administration's Public Disclosure Room.

The Form 5500 Annual reports do not contain personal information, such as accrued benefit. For details about your accrued benefits, contact you plan administrator.

Summary of Rules Governing 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 PBGC, below), the plan must apply to PBGC for financial assistance. 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

Only vested benefits - those that you've earned and cannot forfeit - are guaranteed.

What PBGC Guarantees

PBGC guarantees "basic benefits" including:

- Pension benefits at normal retirement age.
- Most early retirement benefits.

- Annuity benefits for survivors of plan participants.
- Disability benefits for disabilities that occurred before the earlier of the date the plan terminated or the sponsor's bankruptcy date.

What PBGC Does Not Guarantee

PBGC does not guarantee certain types of benefits, including:

- A participant's pension benefit or benefit increase until it has been part of the plan for 60 full months. Any month in which the multiemployer plan was insolvent or terminated due to mass withdrawal does not count toward this 60-month requirement.
- Any benefits above the normal retirement benefit.
- Disability benefits in non-pay status.
- Non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

Determining Guarantee Amounts

The maximum benefit PBGC guarantees is set by law. Your plan is covered by PBGC's multiemployer program. The maximum PBGC guarantee is $35.75 per month, multiplied by a participant's years of credited service.

PBGC guarantees a monthly benefit based on the plan's monthly benefit accrual rate and your years of credited service. The guarantee is calculated as follows:

1. Take 100 percent of the first $11 of the Plan's monthly benefit accrual rate.
2. Take 75 percent of the next $33 of the accrual rate.
3. Add both amounts together.
4. Multiply the total by your years of credited service to determine your guaranteed monthly benefit.

Example 1: Participant with a Monthly $600 Benefit and 10 Years of Service.

1. Find the accrual rate: $600/10 = $60 accrual rate.
2. Apply PBGC formula:
    a. Take 100 percent of the first $11= $11
    b. Take 75 percent of the next $33 = $24.75
3. Add the two amounts together: $11 + $24.75 = $35.75
4. Multiply by years of credited service: $35.75 x 10 years = $357.50

In this example, the participant's guaranteed monthly benefit is $357.50.

Example 2: Participant with a $200 Monthly Benefit and 10 Years of Service.

1. Find the accrual rate: $200/10 = $20 accrual rate.
2. Apply PBGC formula:
    a. Take 100 percent of the first $11= $11
    b. Take 75 percent of the next $9 = $6.75
3. Add the two amounts together: $11 + $6.75 = $17.75
4. Multiply by years of credited service: $17.75 x 10 years = $177.50

In this example, the participant's guaranteed monthly benefit is $177.50.