

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) ☒ Yes ☐ No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) ☒ Yes ☐ No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☒ Yes ☐ No ☐ Not determined
- If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4316119. (See instructions.)

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	1175005	1377293
b Total plan liabilities	7b		
c Net plan assets (subtract line 7b from line 7a)	7c	1175005	1377293
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)		
(2) Participants	8a(2)		
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b	228025	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		228025
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	25737	
e Certain deemed and/or corrective distributions (see instructions) .	8e		
f Administrative service providers (salaries, fees, commissions)	8f		
g Other expenses	8g		
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		25737
i Net income (loss) (subtract line 8h from line 8c)	8i		202288
j Transfers to (from) the plan (see instructions)	8j		

Part IV Plan Characteristics

- 9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A 3F 3H
- b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions

10 During the plan year:		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)	10a		☒	
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)	10b		☒	
c Was the plan covered by a fidelity bond?	10c	☒		10000000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d		☒	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e		☒	
f Has the plan failed to provide any benefit when due under the plan?	10f		☒	
g Did the plan have any participant loans? (If "Yes," enter amount as of year-end.)	10g		☒	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h			
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i			

Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and lines 11a and b below.) If this is a defined contribution pension plan, leave line 12 below.....	☒ Yes ☐ No
a Enter the unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40.....	11a 0
b PBGC missed contribution reporting requirements. If the plan is covered by PBGC and the amount reported on line 11a is greater than \$0, has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:	
☐ Yes.	
☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.	
☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.	
☐ No. Other. Provide explanation _____	

12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? (If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.) If this is a defined benefit pension plan, leave line 12 blank and complete line 11 above.	☐ Yes ☐ No
a If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions, and enter the date of the letter ruling granting the waiver. Month _____ Day _____ Year _____	
If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.	
b Enter the minimum required contribution for this plan year	12b
c Enter the amount contributed by the employer to the plan for this plan year	12c
d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount)	12d
e Will the minimum funding amount reported on line 12d be met by the funding deadline?.....	☐ Yes ☐ No ☐ N/A

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year?	☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year.....	13a
b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	☐ Yes ☒ No
c If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)	
13c(1) Name of plan(s):	13c(2) EIN(s)
13c(3) PN(s)	

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2020 This Form is Open to Public Inspection
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For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

▶ Round off amounts to nearest dollar.

▶ Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan HEALTH CARE AND RETIREMENT CORPORATION UNION EMPLOYEES' PENSION PLAN	B Three-digit plan number (PN) ▶ 005
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF HEARTLAND EMPLOYMENT SERVICES, LLC	D Employer Identification Number (EIN) 34-1903270
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500

Part I	Basic Information
1 Enter the valuation date: Month 01 Day 01 Year 2020	
2 Assets:	
a Market value	2a 1175005
b Actuarial value	2b 1175005
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment.....	(1) Number of participants 19 (2) Vested Funding Target 274850 (3) Total Funding Target 274850
b For terminated vested participants.....	29 393694 393694
c For active participants	48 434115 437102
d Total.....	96 1102659 1105646
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b
5 Effective interest rate	5 5.39 %
6 Target normal cost.....	6 11660

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	
Signature of actuary	09/29/2021
PAUL J. GIBBONS	Date
Type or print name of actuary	20-06478
FINDLEY, A DIVISION OF USI	Most recent enrollment number
Firm name	216-875-1900
1660 W. 2ND ST. SUITE 900 CLEVELAND, OH 44113	Telephone number (including area code)
Address of the firm	

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	50
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	50
10 Interest on line 9 using prior year's actual return of <u>16.14</u> %	0	8
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		1844
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.57</u> %		103
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		1947
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	58

Part III Funding Percentages

14 Funding target attainment percentage	14	106.26 %
15 Adjusted funding target attainment percentage	15	106.27 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	100.12 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ▶			18(b)	0	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost**21** Discount rate:**a** Segment rates:1st segment:
3.64 %2nd segment:
5.21 %3rd segment:
5.94 %☐ N/A, full yield curve used**b** Applicable month (enter code)**21b**

0

22 Weighted average retirement age**22**

62

23 Mortality table(s) (see instructions)☐

Prescribed - combined

☒

Prescribed - separate

☐

Substitute

Part VI Miscellaneous Items**24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No**27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.**27****Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years****28** Unpaid minimum required contributions for all prior years **28** 0**29** Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) **29** 0**30** Remaining amount of unpaid minimum required contributions (line 28 minus line 29) **30** 0**Part VIII Minimum Required Contribution For Current Year****31** Target normal cost and excess assets (see instructions):**a** Target normal cost (line 6) **31a** 11660**b** Excess assets, if applicable, but not greater than line 31a **31b** 11660**32** Amortization installments:**a** Net shortfall amortization installment Outstanding Balance 0 Installment 0**b** Waiver amortization installment 0 0**33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount **33****34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) **34** 0**35** Balances elected for use to offset funding requirement Carryover balance 0 Prefunding balance 0 Total balance 0**36** Additional cash requirement (line 34 minus line 35) **36** 0**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) **37** 0**38** Present value of excess contributions for current year (see instructions)**a** Total (excess, if any, of line 37 over line 36) **38a** 0**b** Portion included in line 38a attributable to use of prefunding and funding standard carryover balances **38b** 0**39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) **39** 0**40** Unpaid minimum required contributions for all years **40** 0**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)****41** If an election was made to use PRA 2010 funding relief for this plan:**a** Schedule elected ☐ 2 plus 7 years ☐ 15 years**b** Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

Schedule SB, Line 26 - Schedule of Active Participant Data

January 1, 2020 Valuation
Health Care and Retirement Corporation Union Employees' Pension Plan
(EIN: 34-1903270; PN: 005)

Attained Age	Years of Credited Service									
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up
Under 25	-	-	-	-	-	-	-	-	-	-
25 to 29	-	2 (*)	-	-	-	-	-	-	-	-
30 to 34	-	1 (*)	2 (*)	-	-	-	-	-	-	-
35 to 39	2 (*)	1 (*)	2 (*)	-	-	-	-	-	-	-
40 to 44	-	5 (*)	2 (*)	-	1 (*)	-	-	-	-	-
45 to 49	-	4 (*)	4 (*)	1 (*)	-	-	-	-	-	-
50 to 54	-	1 (*)	1 (*)	1 (*)	1 (*)	-	1 (*)	-	-	-
55 to 59	1 (*)	2 (*)	2 (*)	2 (*)	3 (*)	1 (*)	1 (*)	-	-	-
60 to 64	-	-	1 (*)	1 (*)	1 (*)	1 (*)	-	-	-	-
65 to 69	-	-	-	-	-	-	-	-	-	-
70 & up	-	-	-	-	-	-	-	-	-	-

* Average compensation is not shown since there are fewer than 1,000 active participants in this plan

Appendix B

Statement of Actuarial Assumptions and Methods

Minimum Funding Annual Interest Rates	24-month segment rates averaged through the end of December 2019 and published in January 2020 (as prescribed by IRC 430) and adjusted to reflect BBA: - Segment 1 (0 – 5 years) 3.64% - Segment 2 (5 to 20 years) 5.21% - Segment 3 (more than 20 years) 5.94% - Effective Interest Rate 5.39%
Maximum Deductible Annual Interest Rates	24-month segment rates averaged through the end of December 2019 and published in January 2020 (as prescribed by IRC 430) as follows: - Segment 1 (0 – 5 years) 2.77% - Segment 2 (5 to 20 years) 3.83% - Segment 3 (more than 20 years) 4.28% - Effective Interest Rate 3.98%
Annual Expected Return on Assets	Interest Rate for developing Actuarial Value of Assets; limited to third segment rate 7.00% Rationale: as selected by the Plan Sponsor
PBGC Annual Interest Rates	24-month segment rates averaged through the end of December 2019 and published in January 2020 using the Alternative Method (as prescribed by IRC 430) as follows: - Segment 1 (0 – 5 years) 2.77% - Segment 2 (5 to 20 years) 3.83% - Segment 3 (more than 20 years) 4.28% - Effective Interest Rate 4.01%
Salary Scale	Not applicable
Mortality	Funding: Mortality as provided in Notice 2018-2, male and female, with different rate for annuitants and nonannuitants (as prescribed by IRC 430). Lump Sum: IRC Section 417(e) mortality for lump sums in stability periods beginning in 2020. Rationale: as selected by Plan Sponsor to reflect the most recent mortality assumption published.

Appendix B (Continued)

Rates of Retirement

Actives are assumed to retire based on age as follows:

<u>Age</u>	<u>Rate</u>
55-58	6%
59	7
60-61	12
62-64	24
65	50
66-69	25
70+	100

Terminated Vested participants and Deferred Beneficiaries are assumed to commence at Normal Retirement Date.

Rationale: as adopted by Plan Sponsor based on experience study completed in 2018 to reasonably align with historical experience

Weighted Average Retirement Age is 62. This is the average retirement age for someone eligible to retire at all ages using the assumed retirement rates and no other decrements.

Rates of Turnover

Based on age and length of service as follows:

<u>Age</u>	<u>Years of Service</u>					
	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5+</u>
20	50.0%	50.0%	40.0%	40.0%	40.0%	30.0%
30	40.0%	40.0%	29.0%	27.5%	27.5%	20.0%
40	30.0%	30.0%	18.0%	15.0%	15.0%	15.0%
50	30.0%	30.0%	18.0%	15.0%	15.0%	10.0%
60+	30.0%	30.0%	18.0%	15.0%	15.0%	5.0%

Rationale: as adopted by Plan Sponsor based on experience study completed in 2018 to reasonably align with historical experience.

Rates of Disability

Sample rates and ages as follows:

<u>Age</u>	<u>Rate</u>
25	.10%
40	.15
55	.95

Appendix B (Continued)

Assumptions Made in Valuing Spouse's Benefit	Sixty percent of the male and forty percent of the female employees included in the valuation are assumed to be married. These percentages are used as the probabilities that survivor benefits will be payable due to preretirement deaths. The wife is assumed to be three years younger than the husband.
Optional Form Selection	All employees are assumed to receive a lump sum distribution, if eligible, otherwise, they are assumed to elect the life annuity benefit.
Provision for Expenses	None.
Standing Elections	The client has not signed an election that provides for the automatic use of the Carryover Balance and/or Prefunding Balance if necessary to meet the minimum funding requirement.
Asset Method	Market Value of Assets plus interest adjusted accrued but unpaid contributions as of the valuation date.
Funding Method	Pure Unit Credit
Employees Valued	Only participants as of the valuation date were valued.
Changes in Assumptions and Methods since the Last Actuarial Valuation	The interest rates used for determining the funding target were 3.74%, 5.35%, and 6.11%. These rates were updated to the rates required for the current plan year. The mortality table for the funding target was changed as required under PPA '06.
Justification for Changes in Actuarial Assumptions	The only assumption changes were to prescribed actuarial assumptions or as a result of At-Risk status. Therefore, the plan did not need IRS approval to change assumptions and there is no need to disclose any "Change in Actuarial Assumptions."

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2020 This Form is Open to Public Inspection
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For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

► **Round off amounts to nearest dollar.**

► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan HEALTH CARE AND RETIREMENT CORPORATION UNION EMPLOYEES' PENSION PLAN	B Three-digit plan number (PN) ►	005
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF HEARTLAND EMPLOYMENT SERVICES, LLC		
D Employer Identification Number (EIN) 34-1903270		
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		
F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500		

Part I Basic Information				
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2020</u>			
2	Assets:			
	a Market value	2a	1,175,005	
	b Actuarial value	2b	1,175,005	
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
	a For retired participants and beneficiaries receiving payment.....	19	274,850	274,850
	b For terminated vested participants	29	393,694	393,694
	c For active participants.....	48	434,115	437,102
	d Total.....	96	1,102,659	1,105,646
4	If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐			
	a Funding target disregarding prescribed at-risk assumptions	4a		
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5	5.39%	
6	Target normal cost.....	6	11,660	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	Paul J Gibbons 	09/29/2021 Date 2006478 Most recent enrollment number 216-875-1900 Telephone number (including area code)
Signature of actuary PAUL J. GIBBONS Type or print name of actuary FINDLEY, A DIVISION OF USI Firm name 1660 W. 2ND ST. SUITE 900 CLEVELAND OH 44113 Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2020
v. 200204

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	50
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	50
10 Interest on line 9 using prior year's actual return of <u>16.14</u> %	0	8
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		1,844
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.57</u> %		103
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		1,947
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	58

Part III Funding Percentages

14 Funding target attainment percentage	14	106.26%
15 Adjusted funding target attainment percentage	15	106.27%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	100.12%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ▶			18(b)	0	18(c)
					0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V	Assumptions Used to Determine Funding Target and Target Normal Cost		
21 Discount rate:			
a Segment rates:	1st segment: 3.64 %	2nd segment: 5.21 %	3rd segment: 5.94 % ☐ N/A, full yield curve used
b Applicable month (enter code).....			21b 0
22 Weighted average retirement age			22 62
23 Mortality table(s) (see instructions)	☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute		
Part VI	Miscellaneous Items		
24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment..... ☐ Yes ☒ No			
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No			
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No			
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....			27
Part VII	Reconciliation of Unpaid Minimum Required Contributions For Prior Years		
28 Unpaid minimum required contributions for all prior years			28 0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....			29 0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)			30 0
Part VIII	Minimum Required Contribution For Current Year		
31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)			31a 11,660
b Excess assets, if applicable, but not greater than line 31a			31b 11,660
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		0	0
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount			33
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....			34 0
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35).....			36 0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....			37 0
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)			38a 0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances			38b 0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37).....			39 0
40 Unpaid minimum required contributions for all years			40 0
Part IX	Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)		
41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected ☐ 2 plus 7 years ☐ 15 years			
b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011			

Schedule SB, Line 22 – Description of Weighted Average Retirement Age
Health Care and Retirement Corporation Union Employees' Pension Plan
January 1, 2020 Valuation
EIN/PN: 34-1903270/005

Rates of Retirement

Actives are assumed to retire based on age as follows:

<u>Age</u>	<u>Rate</u>
55-58	6%
59	7
60-61	12
62-64	24
65	50
66-69	25
70+	100

Terminated Vested participants and Deferred Beneficiaries are assumed to commence at Normal Retirement Date.

Rationale: as adopted by Plan Sponsor based on experience study completed in 2018 to reasonably align with historical experience

Weighted Average Retirement Age is 62. This is the average retirement age for someone eligible to retire at all ages using the assumed retirement rates and no other decrements.

Appendix A

Summary of Principal Plan Provisions

Plan Sponsor	Heartland Employment Services, LLC
EIN/PN	34-1903270/005
Effective Date	August 1, 1986, amended and restated effective January 1, 2015.
Plan Year	The 12-month period beginning each January 1.
Participation	Any union employee who has completed one year of Vesting Service and has attained age 21 shall be eligible to participate on the following January 1 or July 1. No new participants are permitted in the frozen locations which are as follows: Riverview and Wallingford. The following locations are also frozen and have since been sold: Beckley, Charleston, Lansing, Oak Pavilion, Rainelle, and Saginaw. The following location has been sold: Dulaney-Towson. The following location has been closed to new entrants: Hampton House.
Compensation	Total compensation for the calendar year as limited by IRC Section 415(c) – 2(d)(4) including modifications by IRC Section 132(f)(4), 125(a), 402(e)(3), 402(k), 402(h)(1)(b), and 457(b).
Average Monthly Compensation	The last 13 bi-weekly gross pays are divided by the total hours worked during this same period to determine the hourly rate. The hourly rate is multiplied by 852 if the total hours divided by 26 is less than 35 (hours/week); otherwise the hourly rate is multiplied by 1,000. The result is divided by 6.
Vesting Service	One year of vesting service is earned for each Plan Year in which 1,000 hours are worked.
Credited Service	One year of credited service is earned for 1,800 or more hours of service during a calendar year. If the participant worked at least 1,000 hours but less than 1,800, the service credit is prorated accordingly. No future service will be credited for the following frozen locations: Beckley, Charleston, Lansing, Oak Pavilion, Rainelle, Riverview, Saginaw, Wallingford. Beckley, Charleston, Lansing, Oak Pavilion, Rainelle, and Saginaw have been sold since accruals were frozen.

Appendix A (Continued)

Accrued Benefit

A monthly life annuity starting at age 65 equal to the Benefit Multiplier based on Average Monthly Compensation multiplied by the number of Years of Credited Service. If the participant is not Early Retirement eligible at termination, this amount is multiplied by the number of Years of potential service at normal retirement divided by the maximum of number of years of potential service at normal retirement and 30 years.

Benefit multiplier determined as follows:

<u>Average Monthly Compensation</u>	<u>Monthly Benefit Multiplier</u>
\$0 - \$499/mo.	\$5.00
\$500 - \$799/mo.	\$7.00
\$800 - \$1,099/mo.	\$9.00
\$1,100 - \$1,399/mo.	\$11.00
\$1,400+/mo.	\$13.00

Normal Retirement Benefit

Eligibility:

Age 65.

Monthly Benefit:

The Accrued Benefit.

Early Retirement Benefit

Eligibility:

Age 55 and 10 years of Vesting Service.

Monthly Benefit:

The Accrued Benefit at Normal Retirement, or Early Retirement reduced by $\frac{1}{2}$ of one percent for each month that Early Retirement precedes Normal Retirement.

Late Retirement Benefit

Eligibility:

Any age after Normal Retirement Age.

Monthly Benefit:

The Accrued Benefit at Late Retirement.

Appendix A (Continued)

Termination Benefit

Eligibility:

Upon termination of employment prior to retirement after completion of at least 5 years of Vesting Service.

Monthly Benefit:

The vested benefit commences in full at age 65, or in a reduced amount under the early retirement provisions.

Death Benefit

Eligibility:

100% vested and married for at least one year.

Monthly Benefit:

A monthly benefit for life commencing at the time the participant would have been eligible for retirement. The benefit is equal to 100% of the benefit vested on the date of death, adjusted as appropriate for early commencement and the 100% Joint and Survivor Annuity form of payment.

Optional Forms of Payments

Life Annuity

Joint & Survivor with 50%, 66 2/3%, or 100% continuation

The conversion factors are the maximum of a and b below:

- a. Factors based on the 1971 TPF&C Forecast Mortality Table and 6% interest.
- b. Factors computed as outlined below:

For each optional form of annuity payment:

<u>Option</u>	<u>Factor</u>	<u>But Not Greater Than</u>
50% J&S	90%	95%
66 2/3 J&S	85%	95%
100% J&S	80%	90%

The applicable factor set forth in column 2 above shall be increased/decreased by one percentage point for each full year the beneficiary is older/younger than the participant, not to exceed the maximum percentage in column 3.

Appendix A (Continued)

Benefits Available as Lump Sums	This plan pays small benefit amounts (less than \$1,000) automatically. Participants who terminate prior to meeting the eligibility requirements of early retirement can elect a lump sum or reduced qualified form if the lump sum value is between \$1,000 and \$10,000. Lump sums over \$10,000 are available to participants who are at least age 55 at date of termination regardless of whether retirement occurs immediately following termination or not. The conversion factors are based on the Applicable Mortality Table and Applicable Interest Rate as required under IRC Section 417(e)(3).
Maximum Benefit Limit	The Internal Revenue Code Section 415 Maximum Benefit payable as a life annuity at Social Security Normal Retirement Date.
Plan Compensation Limit	The Internal Revenue Code Section 401(a)(17)(B) Maximum Compensation that can be recognized for benefit calculation purposes.
Funding of the Plan	Employer pays all costs.
Changes in Plan Provisions	None.